Daily Report

Latin America

FBIS-LAT-91-005
Tuesday
8 January 1991

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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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Hemisphere Unites To Condemn Haitian Coup Attempt

FL0701235991 Bridgetown CANA in English
2246 GMT 7 Jan 91

[Text] Washington, Jan. 7, CANA—The secretary general of the Organisation of American States (OAS) on Monday joined governments and human rights organisations in condemning the attempted overthrow of the Haitian Government four weeks before the installation of a newly elected president.

The OAS Permanent Council had scheduled a special meeting late Monday to consider the political situation in Haiti after the overnight attempt by Duvalier loyalist Roger Lafontant and a small number of soldiers to stage the coup.

OAS Secretary General Joao Clemente Baena Soares quickly urged Haitians, the Armed Forces, and the international community to reject and condemn the insurrection which "disregards the popular will and the progress of democracy in our hemisphere." The OAS head reiterated that the December 16 elections in Haiti, which he witnessed personally as an observer, were "clean, fair, and democratic, and permitted an expression of the popular will."

In other reactions, at the request of Nicaragua, the chairman of the OAS Permanent Council, Ambassador Margaret E. McDonald, of the Bahamas, convoked a special emergency meeting here for the afternoon to discuss the political situation after the coup attempt.

From Barbados, a Foreign Ministry spokesman "roundly condemned" the attempted seizure of power in Haiti, and reiterated Barbados' support for the process of establishing democracy in Haiti and its solidarity with interim President Ertha Pascal Trouillot and President-Elect Jean-Bertrand Aristide.

In his statement, Baena Soares said the constitutional taking of office by the candidate elected by the people being only weeks away made the attempted insurrection "all the more deplorable."

A member of Washington Office on Haiti (WOH), a private think tank which monitors developments in the former French colony, told the Caribbean News Agency [CANA] here the failed coup attempt indicates the majority of Haitians would no longer tolerate dictatorship and lawlessness. WOH Associate Director John Kozyn said the coup attempt was supported only by 10 to 15 soldiers from the military's Tank Corps, and hundreds of demonstrators had taken to the streets of the Haitian capital to protest the coup attempt.

Caribbean Rights, grouping several Caribbean human rights bodies, issued a statement praising Haitians for "courageously resisting the latest attempt...to frustrate the democratic process. The Haitian Army...has done its duty to the country by swiftly crushing the attempted coup and identifying itself with the protesting Haitian people who heroically took to the streets," Caribbean Rights said.

Guyana Differs With Jamaica on Suriname Coup

FL0701185091 Bridgetown CANA in English
1755 GMT 7 Jan 91

[Text] Georgetown, Guyana, Jan. 7, CANA—Guyana has differed from the firm stand taken by Jamaica's Prime Minister Michael Manley, the current chairman of the Caribbean Community (Caricom), on the Christmas Eve military coup in Suriname. Prime Minister Hamilton Green called Manley's condemnation "premature" and said Guyana needed more information on the situation in Suriname before it could issue a statement. Green, interviewed at the weekend by the British Broadcasting Corporation (BBC), said President Hoyte had not been consulted by Manley prior to the release of the statement of condemnation.

The Army in Suriname, a former Dutch colony next to Guyana, toppled the civilian President Ramsewak Shankar after the resignation of Lieutenant Colonel Desi Bouterse, the Army commander who ruled Suriname for eight years after a 1980 coup. Bouterse stepped down in protest at Shankar's failure to protest his detention by Dutch police at the Amsterdam Airport last month. Bouterse, at the time, was intransit to Ghana.

Manley's statement had threatened to suspend Suriname's observer status in Caricom.

Mission Report Demonstrates Caribbean Aid Needs

FL0801012291 Bridgetown CANA in English
2055 GMT 7 Jan 91

[By Rickey Singh]

[Excerpt] Bridgetown, Barbados, Jan. 7, CANA—The current 102nd Congress of the U.S. has been alerted to the necessity for the World Bank and the International Monetary Fund [IMF] to seriously review their policies to the Caribbean to avoid "undermining" the region's food security.

According to a U.S. congressional study mission report on the Caribbean, submitted last year to the House Committee on Foreign Affairs, the Bush administration would be expected to develop mechanisms in 1991 for better intra-regional consultations for regional development policy, programmes, and projects for the Caribbean in the 1990's.

It is felt by those involved in the preparation of the report, that this could be done within the context of the Caribbean Regional Development Act of 1989 and the more recent Enterprise for the Americas (EAI) introduced last year by President George Bush. The act is still to be given its final approval by the U.S. Congress.

The EAI's likely benefits for the Caribbean Community [Caricom] countries as well as the revised Caribbean Basin Initiative, the so-called CBI-2, are to be discussed at a one-day informal summit of Caricom heads of government in Trinidad on February 26. Then, Caricom's future economic relations with Europe beyond 1992 will also be reviewed.

The one-day summit will be followed by a three-day Caribbean economic conference in Port-of-Spain, at which there will be major presentations on development strategies, with representatives from Western aid donors and the international multilateral institutions in attendance.

The call for a more sympathetic U.S. response to this region's social and economic problems, including drug-trafficking, international debt, and the heavy dependence on food imports, have been articulated in the report to the U.S. Committee on Foreign Affairs in accordance with the broader framework of a "Caribbean development agenda for the 1990's."

The Barbados-based Caribbean area office of the United Nations Children's Fund (Unicef) in its 1990 annual report on the Commonwealth Caribbean has also been critical of the consequences of IMF/World Bank structural adjustment programmes being imposed in the Caribbean.

"Cutbacks in social services in several Caribbean countries, caused by IMF-type adjustment programmes, have created large unemployment problems, inadequate health services, and reductions in education budgets with alarming consequences to the health and well-being of women and children," Unicef said.

The study mission's report, in reflecting some similar concerns, has stated that proposals for dealing with the region's debt crisis—a feature of Bush's EAI—should address the need to "restructure these economies in ways that would minimise the harmful impact of deteriorating international trade on market conditions." This, it has suggested, could be done by focusing on "a strategy of growth based on human-resource development and expanded popular participation in the economic life of the country. Lender policies that force continued adherence to the economic policies that have helped create and perpetuate the debt crisis should be re-thought," the mission said.

The United States has also been called upon to "do more to reduce domestic demand for illicit drugs" from this region. The continued presence of "such a large, lucrative market close to the Caribbean," said the report, "neutralises even the best conceived and executed plans for making the region drug-free."

On the "critical issue of food security," the report warned that the current dependence of the region on imported food—the cost of which varies from U.S. $700 million to $1 billion—"poses a threat to the health and nutrition of its people." The mission has urged U.S. support for "environmentally sustainable projects and-...promote technology, crop diversification, market expansion and access to credit...."

Banana Producers Await EEC Response to Proposal

FL0401202091 Bridgetown CANA in English 1840 GMT 4 Jan 91

[By Peter Richards]

[Text] Castries, St. Lucia, Jan. 4, CANA—Caribbean banana-producing states have not yet got a response to their proposals for common rules and arrangements in the single European market after 1992, St. Lucia's trade minister, George Mallet said here on Friday. Mallet told the Caribbean News Agency (CANA) that the proposals were contained in an African, Caribbean, and Pacific (ACP) states proposal submitted to the European Economic Community (EEC) last year.

"We are keeping in close touch with the EEC in an effort to ensure that our interests are kept in the absolute forefront in the drafting of these rules," he said. Asked if the region had received a response from the EEC, Mallet replied "no, no response as yet."

A copy of the ACP proposal obtained by CANA notes that the "proposal seeks to spell out elements of the rules and arrangements to be applied in the single European market as set out in the commitments jointly agreed by the Community and the ACP states".

"These commitments, inter alia, agree to the objectives of improving the conditions under which the ACP States' bananas are produced and marketed, and of continuing the advantages enjoyed by traditional suppliers," the proposal states.

The ACP-EEC joint declaration on the banana protocol in the Lome Four Agreement seeks to ensure the continuation of the special advantages which the traditional ACP suppliers currently enjoy, and that they are not placed at a disadvantage within the community in the future. Caribbean banana producers have been negotiating to maintain the preferential treatment they now enjoy for the sale of their bananas on the United Kingdom market, after Europe becomes a single market in 1992.

The ACP document claims to strike a balance between competing priorities, but focuses on the means necessary to guarantee access to and advantages in the Community for its traditional suppliers. It states: In this connection, the single market regime for bananas should have as its objective the inter-related elements, namely:

(1) a common organisation of the market based on limiting the volumes of bananas other than from Community and ACP sources and the maintenance of a preferential import regime;

(2) maintenance of income/revenue to traditional ACP suppliers of bananas to the European Community;

(3) assistance to improve production/productivity of bananas in traditional ACP supplying countries and

(4) appropriate mechanism and institutional arrangements to ensure maintenance of both access conditions and the special advantages.

Regarding the common organisation of the market, the ACP States have proposed a Community quota on bananas from sources other than the Community and the ACP. The document said that the characteristics would be an annual quota jointly determined by the ACP and the Community based on the requirements of the market, after allowing for EEC and ACP supplies. It said that the quota could be administered through an import licensing system, which would be based on the following principles:

(1) administration at the national level;

(2) allocation of licences, tranched for use on a periodic basis which takes account of the peaks and troughs of consumption patterns in the Community and the local characteristics of the market;

(3) linkage between the issuance of a portion of licences for the importation of bananas from third countries and the purchase of traditional ACP and Community bananas; and

(4) joint administration of the licensing system by traditional ACP and EEC operators so as not to distort or interrupt traditional trade flows.

The ACP document said that the quota and licensing system should operate in such a manner as to guarantee the purchase of traditional ACP supplies.

Disaster Assistance Team To Visit Caribbean

FL0501193591 Bridgetown CANA in English 1745 GMT 5 Jan 91

[Text] Castries, St. Lucia, Jan. 5, CANA—A four-member team from the United States Office of Foreign Disaster Assistance [OFDA] is due in St. Lucia January 13, as part of a tour of the Caribbean. Acting disaster preparedness co-ordinator, Timothy James, said that the team, which includes officials from Peru, Costa Rica, and Jamaica, will visit Jamaica, Antigua, Dominica, St. Kitts, St. Vincent, Grenada, and Barbados.

OFDA has pledged its support for a Caribbean Community [Caricom] Disaster Response Project which will become operational from April 1. The Caricom initiative will replace the Antigua-based Pan Caribbean Disaster Preparedness and Prevention Project which should have ended last December 31, but was extended to March 31 at the request of the Caribbean governments.

James said that the OFDA officials will discuss with officials here the type of assistance they can offer to St. Lucia regarding disaster preparedness and training.

Weekly Roundup on Drug Seizures

PA0701231191

[Editorial Report] Following is a compilation of reports on drug seizures and arrests related to drug trafficking in bureau coverage area from 1 to 6 January 1991. Source follows in parantheses after each item.

Colombia

During an operation conducted on 30 December at a house in Bogota, members of the Directorate of Judicial Police and Investigations (Dijin) discovered a hideout with 43 kg of cocaine ready to be shipped to Miami and Houston and arrested Fernando Pabon Escobar, who was in charge of its custody. [Bogota EL TIEMPO in Spanish 31 Dec 90 p 14A]

On 2 January antinarcotics police confiscated one ton of cocaine base at a farm in San Martin, Meta Department, 130 km south of Bogota. The police found weapons, communications equipment, and chemicals and arrested a group of workers. [Mexico City NOTIMEX in Spanish 0133 GMT 3 Jan 91]

Authorities in Cauca Department on 4 January reported the discovery of a huge laboratory that produced 50 kg of heroin per month. It was located in a residence on the road from Cali to Popayan. Several arrests were made. [Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 4 Jan 91]

Costa Rica

Police confiscated 50 kg of cocaine from Panama, hidden in the double floor of a car near the Juan Santamaria Airport. The car's original licence plate No. FYF-32P from Dade County, Florida, had been replaced with local licence plate No. 110564. The driver of the car, Leon Fernandez Marin, was arrested. [San Jose LA NACION in Spanish 28 December 91 p 10A]

Guatemala

The Civil Protection System (Siproci) confiscated 54 kg of cocaine worth 54 million quetzales inside the tires of three trailers at a parking lot in Guatemala City. One man was arrested. [Guatemala City EL GRAFICO in Spanish 4 Jan 91 p 6]

Mexico

The Attorney General's Office reported the confiscation of 1.2 grams of heroin in Tijuana, Baja California. The drug came from Mazatlan, Sinaloa. The antinarcotics police arrested Martina Beltran Garcia, Javier Aguilar Sanchez, Arnulfo Aguilar Rodriguez, Alfredo Andres Vizcarra, and Andres Vizcarra. Various weapons, a jeep, and three other vehicles were also confiscated during the operation. [Mexico City NOTIMEX in Spanish 0130 GMT 3 Jan 91]

Cuba

Escalona, Corrieri Greet Soviet Medical Delegation

FL0701192191 Havana Radio Reloj Network in Spanish 1508 GMT 7 Jan 91

[Text] (Viktor P. Surrupa), a Supreme Soviet deputy and chairman of the People's Medical Assistance Commission [Comite de Ayuda Medica a la Poblacion] arrived today in Havana heading a Soviet delegation. The Soviet delegation is visiting Cuba in response to an invitation extended by the Cuban Friendship with the Peoples Institute, ICAP.

The Soviet delegation was welcomed at the airport by Central Committee members Sergio Corrieri, the ICAP president; and Juan Escalona Reguera, president of the National Assembly of the People's Government.

After his arrival, (Surrupa) expressed his happiness for visiting Cuba. He added that as a doctor, he is very interested in the successful implementation of the Cuban family doctor program.

(Surrupa) asserted that the Soviet people deeply appreciate Cuban cooperation in eliminating the effects of the Chernobyl disaster on Soviet children.

Education Minister Notes Student Disturbances

MB0501190791 Maputo Domestic Service in Portuguese 1745 GMT 5 Jan 91

[Text] Cuba's Deputy Education Minister Jorge Gonzalez Corona has said that it is important that the government grant every Mozambican student wishing to return to the country the right to do so without any preconditions.

The Cuban official said this during an interview with Mozambican journalists in Havana. He was referring to the recent disturbances caused by Mozambican students, resulting in extensive damage to the Samora Machel and 28 January High Schools on the Isle of Youth.

Because of those acts, more than 700 students are now in police custody. At the time of the disturbances, those students had expressed their desire for collective repatriation should their demands not be met. As is well known, those students want the Mozambican Government to give them a subsidy in U.S. dollars and clothing, over and above the clothes they receive from the Cuban Government every six months.

Cuban Deputy Education Minister Jorge Gonzalez Corona described the students' acts of destruction of property that was useful to themselves as one revealing thoughtlessness and a lack of awareness. Our first reaction to those acts was one of profound sadness. We saw they were acting against their own friends, thereby disrupting order and discipline in a country where the right to strike is forbidden by law, the Cuban official explained. He said that his country cannot accept that, to defend their own interests, students should damage property, physically threaten officials, and disrupt normal educational activities.

Though it is true that there are objective reasons for their acts, it is just as true that Cuba has no responsibility in the matter, Deputy Education Minister Jorge Corona said.

The Cuban official affirmed that, despite those incidents, the Cuban Government will make every effort to continue implementing education programs for Mozambican students. This is a matter of principle that we will continue to uphold, he emphasized.

Deputy Minister Jorge Gonzalez Corona said that those parents who have kids studying in Cuban schools can be sure that we will continue to offer conditions [words indistinct] superior to what we give our own people.

He concluded by saying that his country will not take any punitive measures against the students who were involved in disturbances two weeks ago.

Meanwhile, the Mozambican Council of Ministers team that has gone to Cuba to conduct an on-site assessment of the damage caused by the students is still holding talks with the Cuban authorities. The two sides have held four meetings so far. Mozambican Health Minister Leonardo Simao, the head of the Council of Ministers team, has been reiterating the Mozambican Government's vehement condemnation of the acts perpetrated by the students. Minister Leonardo Simao has also reiterated the Mozambican Government's hope that this behavior will not affect relations between the two countries and their governments.

Zambian Education Delegation Begins Visit

FL0801033091 Havana Radio Reloj Network in Spanish 0317 GMT 8 Jan 91

[Text] A delegation from the Republic of Zambia headed by Minister of Education, Youth, and Sports Dr. Eli Mwanangonze today visited the Cuban Ministry of Education. The group received an extensive explanation of the Cuban education system and its major characteristics and prospects. During their stay, the delegation will carry out an extensive schedule of activities, which will include visits to centers of educational and scientific interest.

Antigua and Barbuda

Junior Ministers Exchange Assignments

FL0401203091 Bridgetown CANA in English 1910 GMT 4 Jan 91

[Text] St. John's, Antigua, Jan. 4, CANA—Two junior ministers in the Antigua and Barbuda Government have exchanged assignments, Cabinet Secretary Lounel Stevens has reported.

Stevens said Hendy Simon, who previously served as minister without portfolio in the Finance Ministry with special responsibilty for port matters, has been re-assigned to the Ministry of Economic Development.

Mowlyn Joseph, a minister in the Ministry of Economic Development, has been transfered to the Ministry of Finance. Jospeh previously served as minister responsible for port matters in the mid-1980's.

Stevens described the re-assignments as being in "the normal course of things" when asked about the reason for the transfers. However, sources close to the government say Simon's re-appointment most likely has to do with his calls for a shake-up among cabinet ministers.

Bahamas

Union Leaders, Hoteliers Struggle To Avert Strike

FL0701215691 Bridgetown CANA in English 2114 GMT 7 Jan 91

[Text] Nassau, Bahamas, Jan. 7, CANA—Bahamian hotel chiefs and union officials are meeting almost around-the-clock to avert a strike over job lay-offs in Nassau. Robert Sands, president of the Bahamas Hotel Association, said that a hotel strike at this time would be catastrophic.

"Think of a nuclear bomb landing in the Bahamas," he said.

Members of the Hotel, Catering and Allied Workers Union voted before Christmas to strike in a bid to re-instate hotel workers. The union has filed trade disputes against major Nassau resorts, claiming violation of the industrial agreement it has with the hotel association. Further, the union is asking British Colonial Beach Resort (Best Western) to re-instate 43 workers who were dismissed about five weeks ago without the union being first notified.

Resorts International, one of the two largest hotel employers in the country, told the union that 100 workers, mainly from its restaurant and laundry departments, are to be laid off. There have also been widespread lay-offs at the middle-management and senior level.

Sands was optimistic about the outcome of the negotiations with the union. "A conciliatory approach is taking place," he said. Sands said that all the major hotels, while not full, had occupancies in the 90 percent column over the post-Christmas and New Year's holiday. January is a traditionally soft period and there is no question that the Gulf oil crisis is having an impact on occupancies, he said.

Business is not as strong as it was last January, and occupancy in the larger hotels is in the mid-60's, he said. Additionally, people are not booking as far in advance as they normally would. Sands forecasts strong occupancies after the first week of February to the end of March, when the large hotels are expected to have occupancies in the high 80's and 90 percent column.

According to the latest Central Bank figures, tourism expenditure dropped by $14.6 million to $294.8 million during the third quarter of 1990, which was indicative of the downturn in arrivals during that period.

Last month, Ted Arison, chairman of Carnival Cruise Lines of Miami, the parent company of Carnival Resort and Casino in Nassau, warned that Bahamians face a possible loss of their major resource and their quality of life. He said that the collapse of the tourist industry in the Bahamas would prove fatal for the country by putting tens of thousands of people out of work.

Barbados

BLP Campaign Emphasizes Exports, Ownership

FL0401193091 Bridgetown CANA in English 1608 GMT 4 Jan 91

[Text] Bridgetown, Barbados, Jan. 4, CANA—The opposition Barbados Labour Party (BLP) on Thursday night launched its campaign for the January 22 general election, saying it was ready again to assume the government it lost in a crushing defeat five years ago.

"We are going to stand on our record," BLP Finance spokesman Owen Arthur told a public meeting outside government headquarters, as he criticised Barbados' economic performance under the ruling Democratic Labour Party (DLP). Arthur, who party leader Henry Forde said would be finance minister if the BLP wins the election, attributed Barbados' current economic difficulties, including a shortage of foreign exchange, to a sharp drop in exports over the past five years.

"We must make back Barbados a strong export economy," he said, noting this would be a priority for a BLP government. As part of the strategy, Arthur said a BLP administration would establish an export development fund and lift duties on imported raw materials in order to boost the competitiveness of Barbadian manufactured exports.

Forde said a BLP administration would emphasize training, and promised to establish a national youth service to provide young people with some practical work experience in preparation for the job market.

He said another priority would be the expansion of ownership. "Our vision of Barbados is a Barbados in which the political process of enfranchisement is continued and completed with the process of economic enfranchisement," he told the crowd. "We want to see more and more of our people and particularly those at the lower economic rung of the ladder owning some of the true wealth of Barbados." With this in mind, Forde said preference would be given to credit unions and

workers to purchase shares under a proposed divestment of commercial state enterprises.

Record Number of Candidates Expected To Run

FL0701153091 Bridgetown CANA in English 1330 GMT 7 Jan 91

[Text] Bridgetown, Barbados, Jan. 7, CANA—Today is nomination day for Barbados' general elections, with a record number of candidates expected to face the polls come January 22. At least 84 candidates—28 from each of the three major parties—are expected to be nominated, in the first full-slate, three-party race here.

The hours for nomination are 10 am - 3 pm. Nominees must complete the nomination forms and deposit 250 dollars (1 Bds [Barbadian dollar] equals 50 cents U.S.). In addition they must present two sponsors and two witnesses, all from their constituencies, while presenting their papers.

The election pits the ruling Democratic Labour Party (DLP) of Prime Minister Erskine Sandiford against the 50-year-old Barbados Labour Party (BLP) led by ex-attorney general, Henry Forde, and the New National Democratic Party (NDP), headed by former DLP Finance Minister Dr. Richie Haynes.

The Barbados ADVOCATE newspaper quoted the chief electoral officer, Dennis Smith as saying that preparations were well in train and he expected today's proceedings to go smoothly.

Published public opinion polls favour the DLP to win a majority of the 28 parliamantary seats and secure a second five-year term. The DLP won 24 of the 27 seats at stake in the 1986 poll, with the remaining three going to the BLP. Since then a 28th seat has been added to the House of Assembly. Sixty-one candidates faced the electorate in 1986.

Transport Minister Blackman Fails To Register

FL0701193591 Bridgetown CANA in English 1919 GMT 7 Jan 91

[Text] Bridgetown, Barbados, Jan. 7, CANA—Controversial Barbados Transport and Works Minister Don Blackman failed to submit nomination papers on Monday, rendering him ineligible as a candidate for the January 22 general election. Blackman's participation in the poll was the subject of speculation for weeks. Sunday night, the mystery deepened after he failed to turn up at a mass meeting of the ruling Democratic Labour Party (DLP) for the presentation of candidates.

Businessman Johnny Tudor was put forward at the last minute as the DLP candidate for Blackman's suburban St. Michael East constituency, which Blackman won in 1981 as a candidate of the Barbados Labour Party (BLP), then in government. Tudor had courted the constituency prior to Blackman's decision to defect to the DLP from the BLP for the 1986 general election.

The impact of the development on the DLP's re-election bid was not immediately clear. At a news conference on Monday, Prime Minister Erskine Sandiford said he had expected Blackman, like other endorsed DLP candidates, to complete the nomination procedure. Sandiford said there had been no falling out between Blackman and the DLP.

Food, Clothing Prices Up; Housing, Utilities Down

FL0401160291 Bridgetown CANA in English 1459 GMT 4 Jan 91

[Text] Roseau, Dominica, Jan. 4, CANA—The price of food here continued its upward climb in November, by just over two percent the government's central statistical office reported. There was an overall increase of 0.8 percent in November over October, mainly because of the rise in food prices.

Other items which saw increases were clothing and footwear, and miscellaneous expenses. Remaining unchanged were alcoholic beverages and tobacco, furniture and household equipment, and transportation. Housing and utilities registered a decrease.

The November 1990 consumer price index, when compared to November 1989, shows an increase of 9.3 percent, representing an increase in all major groups except food and miscellaneous expenses.

Dominican Republic

Drug Control Agency Reports 1990 Results

FL0401165591 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 4 Jan 91

[Text] More than 2,500 kg of cocaine were seized and about 180 foreigners were arrested by narcotics control agents during 1990. In addition, in different operations the organization seized 79 firearms—including 53 automatic pistols, 17 revolvers, seven shotguns, and two rifles—and 1,129 people were accused of drug trafficking, of which 949 were Dominicans.

Last year the National Directorate of Drug Control seized a total of 2,568 kg of cocaine, 1,048 pounds of marijuana, 25 grams (gr) of heroin, and 13 gr of hashish. The officers of this government agency carried out about 1,111 searches, which included the seizure of three small planes which had carried large amounts of cocaine into the country.

Grenada

Year Begins With New Taxes, Cabinet

FL0401181091 Bridgetown CANA in English 1658 GMT 4 Jan 91

[By Richard Simon]

[Text] St. George's, Grenada, Jan. 4, CANA—Grenada has started the new year with a new-look cabinet and higher taxes. The cabinet reshuffle and a controversial

levy on incomes were announced in December—nine months after a change of government here.

The Grenada Government on December 27 slapped a levy on salaries to raise money to pay its debts. The national debt service levy indicated a new fiscal approach in a country which stopped taxing incomes in 1985. Finance Minister George Brizan described the levy as a temporary measure when he presented the $260 million East Caribbean (one EC dollar equals 37 U.S. cents) budget in Parliament. The 10 percent levy applies to salaries above $12,000 a year. The decision to introduce it—and the entire budget—came under heavy fire from the opposition.

"The 1991 budget shows a lack of creativity and thought, which would lead to more taxes year after year," said opposition MP [member of parliament] Dr. Keith Mitchell. He said there was "no reason for a national debt service levy." Mitchell, leader of the New National Party [TNP], said the levy represented the reintroduction of income tax.

The budget followed the reshuffle, which saw a junior minister being upgraded. Edzel Thomas is now a full minister, taking charge of community development, labour, social security, and co-operatives. Prior to the reshuffle, Thomas was minister of state in the Ministry of Communications and Works. He will be supported by the former parliamentary secretary in the Ministry of Legal Affairs, Tillman Thomas.

The other Grenada United Labour Party [GULP] successful candidate in the March 13 general elections, Dr. Lawrence Gibbs, is now the parliamentary secretary in the Ministry of Education, Youth and Sports. The minister continues to be Carlyle Glean. Former minister of health, Kenny Lalsingh, is now responsible for communications, works and public utilities with his colleague, Senator Norton Noel, the parliamentary secretary.

Former minister of labour, Michael Andrew, is now the minister of health, housing and the environment, with Alleyne Walker the parliamentary secretary. Former agriculture minister, Ben Jones, has taken over the running of the Ministry of Foreign Affairs, Caricom [Caribbean Common Market] Affairs and Political Unification.

The agriculture, foods, fisheries, and lands portfolio has gone to Phinsley St. Louis who will have Senator Denis Noel as his parliamentary secretary. Prime Minister Brathwaite retained responsibility for security, Carriacou and Little Martinique affairs, personnel and management services, and information. He will be assisted by Senator John de Roche who is himself from the island of Carriacou. The portfolio of Joan Purcell remains the same—responsibility for tourism, civil aviation, and women's affairs. Her assistant is Godfrey Ventour.

Attorney General Dr. Francis Alexis maintains responsibility for legal affairs and local government. Finance Minister George Brizan has also retained his ministry of finance, trade, energy and industry.

The December budget was the second for the year. A "holding budget" was presented by Brizan 36 days after elections. Brizan, complaining "there was not enough time to prepare a fiscal package that will reflect a true picture of the country at this time", tabled an EC $231 million budget, allocating $160 million to recurrent expenditure, and $70.8 million to capital expenditure.

"What we are presenting today is a holding budget that will give us some breathing space until the next fiscal package can be put together. We are setting ourselves a deadline for the end of next year to present the 1991 budget."

While Brizan blamed two past prime ministers for "not calling the election before this and not giving the government enough time for a proper budget," opposition parties were unsympathetic.

The year 1990 opened with political parties on the campaign trail. Jones, then prime minister, compiled a slate for his New National Party (TNP) and told Grenadians they would choose a government on March 13, with the self-serving reminder that "when you have a car that's working, don't change it; leave it there."

Four other parties set out to prove, in lively campaigning, that the "car" should be changed: the TNP of former government minister Mitchell; the National Democratic Congress (NDC) of Brathwaite; GULP of Eric Gairy; and Maurice Bishop Patriotic Movement (MBPM) of Dr. Terrence Marryshow. The election gave no party a clear victory, but Jones and another TNP successful candidate, as well as a GULP member, teamed up with Brathwaite to form the government. Jones, however, stressed to interviewers that he was not a member of Brathwaite's NDC and retained leadership of TNP.

Brathwaite's hand was strengthened by the defection of a second GULP member, Dr. Lawrence Gibbs, who claimed he could best make a contribution "in this time of national crisis" from the government side in Parliament. Gairy said Gibbs merely preempted his own sacking from the party.

The year 1990 also saw Grenada being damaged by Tropical Storm Arthur. The storm tore off rooftops, washed away roads and bridges, destroyed crops and livestock, and, in the case of a major local hotel, left six feet of water on the grounds. Insurance estimates put damage at $2 million East Caribbean.

The year saw the end of the Maurice Bishop murder appeal, a verdict in the case involving former Army and government leaders sentenced to death or long prison terms for killing leftist Prime Minister Bishop during a 1983 palace coup is expected shortly.

1990 was also a year in which the government was under fire for signing an agreement to allow the establishment here of a plant to convert waste for electricity generation. The plan was scrapped because of the public outcry.

Possible Split in Government Coalition

FL0501160091 Bridgetown CANA in English 1425 GMT 5 Jan 91

[Text] St. George's, Grenada, Jan. 5, CANA—The National Party [TNP] in Grenada has voted to pull out of a coalition arrangement with Prime Minister Nicholas Brathwaite's National Democratic Congress [NDC], informed sources here reported Saturday. The withdrawal would mean the resignation of Foreign Minister Ben Jones and Parliamentary Secretary Alleyne Walker, the sources reported.

The vote was said to have been taken by TNP executive members, amidst complaints about the 1991 budget and the reported sacking of TNP statutory board members appointed by the previous government.

TNP teamed up with the NDC after a March 13, 1990 general election in which no party emerged a clear winner. But the prime minister's hand was also strengthened by Grenada United Labour Party members crossing the floor. The coalition partners hold 11 of the 15 seats in Parliament.

The four opposition members have criticised the budget presented last December 27 by Finance Minister George Brizan. The most controversial aspect of the budget appeared to be a 10 per cent levy on salaries above 12,000 East Caribbean dollars (one EC dollar equals 37 U.S. cents). The opposition said it meant the reintroduction of income tax.

Haiti

Casualties, Injuries in Coup Attempt, Demonstration

FL0701155091 Havana Radio Reloj Network in Spanish 1500 GMT 7 Jan 91

[Text] One person was killed and two youths were injured in Port-au-Prince in the first demonstration held against Roger Lafontant, who headed a coup before dawn today [7 January] in Haiti.

Radio reports state that there are no reports on the clashes that took place near the presidential palace, which was surrounded by light armored vehicles and troops from the Dessalines military barracks located close to Port-au-Prince.

The military coup, which is headed by an ex-minister of the ousted Duvalier regime and former Tontons Macoutes leader, has taken place almost one month before the inauguration of President Jean Bertrand Aristide, the first Haitian president elected in free elections.

The media have reported that Aristide is safe at the French Embassy, while other sources have reported that he has been captured by the coupist.

36 Killed; Lafontant Deported

LD0701193391 Paris Domestic Service in French 1900 GMT 7 Jan 91

[Text] The attempted coup d'etat in Haiti is reported to have resulted in at least 36 dead, a figure given by Radio Metropole. Twenty-six people are reported to have been killed in a shoot-out and seven others were lynched by demonstrators. Furthermore, according to Haitian radio, Roger Lafontant has been taken to Port-au-Prince airport to be deported. The Haitians greeted the announcement of the failure of this bid for power by the former head of the Tontons Macoutes, Roger Lafontant, with an explosion of joy.

Police Report 'At Least 50' Deaths

PA0701223091 Hamburg DPA in Spanish 2116 GMT 7 Jan 91

[Excerpts] Port-au-Prince, 7 Jan (DPA)—The Haitian police reported today that at least 50 people have been killed as a result of the aborted coup d'etat against President Ertha Pascal Trouillot and violent incidents in the capital and in the interior of the country. [passage omitted]

Meanwhile, it was reported this afternoon that President Pascal Trouillot is again in control of the government and that Herald Abraham continues to be commander of the Haitian Army.

However, the whereabouts of Roger Lafontant, who led the aborted coup, and President-elect Jean Bertrand Aristide are still unknown.

Aristide's followers have said that they fear that the Armed Forces action to defeat the coupists could be a trap to make Aristide come out from "hiding" in order to arrest him. Therefore, it is believed that Aristide will not make any public appearances in the next few days.

Papal Nuncio Reportedly Attacked

PA0701192791 Hamburg DPA in Spanish 1840 GMT 7 Jan 90

[Excerpts] Port-Au-Prince, 7 Jan (DPA)—This afternoon, Haitian radio has released extensive reports on the surrender of Roger Lafontant, leader of the coup d'etat carried out in Haiti last night. Lafontant surrendered to Army troops loyal to the government headed by former Supreme Court Judge Ertha Pascal Trouillot, who was reportedly rescued from the hands of the rebels. [passage omitted]

In addition, there are reports of isolated violent actions in the capital. There is information on the burning and destruction of several houses and stores.

One of the reports states that the papal nuncio to Haiti was attacked. There is information asserting that the papal nuncio and two Canadian nuns were forced out of the nuncio's residence. The Canadian nuns reportedly escaped their captors. It is also said that an unidentified priest was brutally beaten and that the Archbishopric of Port-Au-Prince was set on fire.

There are, however, no details available on these incidents because of the confusion that has prevailed in the country throughout the day.

'Well-Known Duvalierists' Arrested; Calm Returns

PA0801003091 Mexico City NOTIMEX in Spanish 2336 GMT 7 Jan 91

[By correspondent Jaqueline Telemaque]

[Text] Port-au-Prince, 7 Jan (NOTIMEX)—Calm has returned to this capital city after the attempted coup d'etat led Roger Lafontant, a former Duvalierist minister, was thwarted.

The army ended the coup at 1006 and arrested former Interior Minister Jean-Claude Duvalier and his 16 accomplices, all well-known Duvalierists.

Among those arrested with Lafontant are, Alphone Lahens, L'Herisson Alezi, Faustin Meradieu, Pierre Marcel, Mirabeau Petit-Homme, and others who held posts during the Duvalier's dictatorial governments and during the governments of former Presidents Henry Namphy and Prosper Avril.

Provisional President Ertha Pascal Trouillot said that early this morning she was forced to read on television a letter of resignation written by Lafontant. Trouillot also said that she was held hostage for several hours.

Meanwhile, President-elect Jean-Bertrand Aristide has said that he noted Mrs. Trouillot's resignation as provisional president of Haiti.

The statement by Aristide, who won the 16 December elections with more than 68 percent of the votes cast and who will assume office on 7 February, has created a complex situation.

The transition of power is now in question and, according to political sources, it is evident that the president-elect wants to assume office immediately and prevent a special situation from developing during which a new provisional president would be appointed.

One of the many things that the Haitian justice must clarify is the connections Lafontant and his accomplices had within the military to gain access to the well-guarded National Palace.

The exact number of casualties resulting from the coup is not known but it is believed that more than 12 Duvalierists were burned alive by the people in various neighborhoods throughout the capital city.

Locales belonging to those political parties associated to the Duvalier regime were also looted and burned. Several homes of people and institutions identified with the former regime were also burned by the people who mobilized to prevent the consolidation of the coup.

Pascal Trouillot Reinstated by Army

FL0801151591 Port-au-Prince Radio Metropole in French 1240 GMT 8 Jan 91

[Text] We will now report on the main events as they developed yesterday. Democracy, which was taken hostage for 10 hours yesterday, has now been restored. The Army has been praised by the people. Mrs. Ertha Pascal Trouillot, who was forced from power by Roger Lafontant, has been reinstated as provisional president by the Army. Demonstrations of anger and scenes of plundering took place in Port-au-Prince. Yesterday the capital undoubtedly lived one of its most fantastic and most dramatic days.

The final toll on the human side stands at over 40 dead and over 50 injured at the State University Hospital of Haiti [General Hospital]. On the material side, the toll is over 20 stores destroyed by demonstrators on Lalue [John Brown Avenue], on Jean-Jacques Dessalines Boulevard [downtown Port-au-Prince], and in the commercial quarters.

The way is now clear for President-elect Jean-Bertrand Aristide to take up his post in 30 days.

St. Lucia

Government Condemns Haitian Coup Attempt

FL0701180591 Bridgetown CANA in English 1705 GMT 7 Jan 91

[Text] Castries, St. Lucia, Jan. 7, CANA—The St. Lucia Government on Monday [7 January] condemned the latest coup attempt by a former Duvalier loyalist in Haiti, warning that it was possible that foreign forces could be used to restore democratic rule in the former French colony.

"A way must be found to get Father Aristide installed as president in accordance with the Constitution of Haiti," Foreign Affairs Minister Neville Cenac said in a statement.

Former Haitian Interior Minister Roger Lafontant announced Monday morning that he had seized power in a bloodless coup in Haiti, one month before Jean Bertrand Aristide, a populist priest elected in balloting last month, was due to have been sworn in as the country's new president (February 7).

Cenac spoke with the CARIBBEAN NEWS AGENCY (CANA) before news broke that the Haitian Army had stormed the radio station [as received] where Lafontant was holed up and arrested him.

The St. Lucia foreign minister told CANA it was possible that if the president-elect asked for support from outside "he may very well get it." "What happened in Panama could very well happen in Haiti," he added, referring to the decision by American forces to invade and oust Panamanian leader General Manuel Noriega.

Asked about the likelihood of an armed invasion to restore democracy in Haiti, Cenac replied "that cannot be ruled out."

"... The international [words indistinct] quite a part in the elections and they saw Father Aristide put there quite overwhelmingly.... and this is the same sort of situation that happened in Panama," he added.

"I am not saying that there will be an armed invasion. I am saying it could very well be that if those who were put there and who have been overthrown, and if they were to ask for support, it is not unlikely that they may get it."

CANA Reviews Island Performance in 1990

FL0501190091 Bridgetown CANA in English 1731 GMT 5 Jan 91

[By Guy Ellis]

[Excerpts] Castries, St. Lucia, Jan. 5, CANA—St. Lucia is looking to more progress on a Caribbean political union and on a drugs crackdown in the New Year. Politicians and other groups here, in Dominica, St. Vincent, and Grenada are gearing for the January 14 inaugural session of a Windward Islands Constituent Assembly that paves the way for the long-proposed political union. Prime Minister John Compton is among regional leaders pressing for the union.

One of the prime minister's concerns in 1990 was the level of crime, especially drug-related. [passage omitted] He announced some tough measures to crack down on the drug trade, including seizure of property of drug dealers. He also disclosed plans for creation of a new drug strike force and the opening of a drug hotline within the police force.

Within days the strike force had rounded up several suspected drug traffickers and seized a number of vehicles and boats suspected of being used in the drug trade. By yearend, the government enacted even stricter legislation, under which persons operating businesses selling liquor, will be responsible for keeping their premises out of bounds to drug dealears. It empowers the police to suspend any licence or temporarily close any liquor premises suspected of being used in drug dealings. The opposition St. Lucia Labour Party argued that the liquor measure placed too much power in the hands of the police. [passage omitted]

There was some drama in the political arena when minister of communications and works, Desmond Fostin, resigned. It came after Prime Minister Compton complained about the poor state of the island's roads. Fostin claimed that a section of the press had made "personal attacks upon his character and reputation" and he felt he should resign to give Compton a free hand to undertake reforms in the ministry.

In early February, banana farmers staged a protest march. It came at a time when a government-appointed review committee was examining the industry following the September 1988 sacking of the elected board of directors on allegations that the board's chairman was using his position to engage in confrontational politics. Police armed with batons were engaged in scuffles with demonstrators who attempted to enter government buildings to present a petition to government.

On the developmental front, there were encouraging signs. Director of Finance Bernard la Cobiniere said in November that the local economy was showing "robustness, despite some nagging problems," and appeared to be on course to surpass the 1989 growth rate.

During the year, some major infrastructural projects were announced, started or completed. A new EC 90 million dollar (one East Caribbean dollar equals 37 U.S. cents) electricity plant was opened in November, work started on a 108 million dollar dam, as well as upgrading of the island's airports and seaports.

The banana industry looks set to meet its 1990 target of 130,000 tonnes, after reaching 112,931 tonnes at the end of October and generating 163.5 million dollars in revenue.

Tourism too appeared to have done well, with the cry for more hotel rooms resulting in one large and one small hotel being opened and work starting on two other large complexes. Issues of environment came into focus in 1990, with the government being pressured by groups not to allow tourist developments in areas such as the famous Twin Mountain Peaks.

El Salvador

Government Condemns 'Murder' of U.S. Soldiers

PA0801010391 San Salvador LA PRENSA GRAFICA in Spanish 7 Jan 91 p 9

[Text] The Government of the Republic has issued a communique in which it describes the murders committed by the Farabundo Marti National Liberation Front [FMLN] of U.S. citizens Lieutenant Colonel David Pickett and private Ernesto Dawson as "infamous and barbaric." Pickett and Dawson were shot moments after their helicopter was downed in Lolotique jurisdiction.

The communique says that it was an irrational action "that once again proves the terrorist nature of the FMLN and that it has no respect whatsoever for life."

The government denounced the FMLN before the international community, saying that this is one more blatant violation of human rights.

In its communique, the government reaffirms its unequivocal purpose of ensuring that no crime committed in El Salvador will go unpunished and that it will do all it can to ensure that those responsible for this murder will be punished in accordance with the law.

In expressing its condolences to the families of the dead men and to the government and people of the United States for "such a vile murder," the Salvadoran Government reiterated its firm commitment to bringing the bloody and absurd conflict to an end, adding that "every time we face a barbaric incident like this one, we pray to God for for the strength we need to continue working for peace."

FMLN Issues Communique on Helicopter Downing

PA0701150591 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0000 GMT 6 Jan 91

["Commmunique" issued by the 3d Military Region of the National Army for Democracy of the Farabundo Marti National Liberation Front (FMLN) in El Salvador on 5 January]

[Text] 1. In view of the differing versions that have surfaced concerning the downing of a helicopter that carried three U.S. military advisers, we are going to conduct an in-depth investigation to clarify the truth about this incident.

2. The FMLN has a clear policy of assuming responsibility for its actions and we will act accordingly in this new situation.

3. The FMLN maintains its policy of respect for the Geneva Agreements concerning armed conflicts and, in keeping with those agreements, we will conduct this in-depth investigation and make its results public.

4. We equally express our willigness to allow all manner of investigations with regard to this incident.

El Salvador, 5 January 1991

Rebel Stations Contest U.S. Version of Incident

Radio Farabundo Marti Alleges Distortion

PA0701141191 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0000 GMT 5 Jan 91

[Station commentary]

[Text] Dozens of peasants from the San Francisco Lolotique Canton have presented their impartial versions, without any pressure, of the incident that ended in the death of three U.S. military advisers on 2 January.

Influential and prestigious national and international media sources have reported their versions, which contradict the tendentious manipulations of reports by the U.S. State Department and the Pentagon.

We understand the impact of the death of three U.S. citizens—who were fulfilling military missions in a country at war—on the U.S. institutions and people. The FMLN wants to stress, however, that it will not permit maliciously distorted U.S. reports to imply that the U.S. soldiers were murdered and that they did not die as a result of the downing of the helicopter.

Creating a veil of legal and forensic uncertainty over the deaths of the Green Berets reflects immoral and condemnable objectives. Within that framework, the detention at the San Miguel garrison of seven peasants who witnessed the downing of the helicopter gunship is worrisome, as the reasons for their detention have not been publicly clarified.

Therefore, aware of the observed conduct of the U.S. State Department, we cannot but recall the psychological manipulation that the U.S. intelligence organizations exerted on Lucia Cerna, a key witness in the massacre of the Jesuit priests by the Atlacatl Battalion.

Based on defense reports, the U.S. Government is trying to reach an agreement with the U.S. Congress to unfreeze the reduced military aid for corrupt and criminal armed forces repudiated by all Salvadoran society. When the U.S. Congress ends its recess, it should have a clear vision of the procedures and intentions of the Bush administration, which is trying to revive the military option and at the same time promote new negotiations in El Salvador. Such immoral and irresponsible attempts do not encourage agreements through negotiation, which is evidence of the inconsistency of U.S. policy toward peace in our country.

Radio Venceremos Calls For Investigation

PA0701151291 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 5 Jan 91

[Station commentary]

[Text] As for the incident involving a helicopter gunship belonging to the U.S. Army, we warn the public about the irresponsible and suspicious manner in which ele-

ments of the antidemocratic Armed Forces and the Pentagon have handled this case, with the clear aim of unfreezing the military aid that has been subject to resolution of the assassination of the Jesuit priests.

It is highly suspicious that a U.S. lieutenant colonel was sent to overfly an area 100 meters away from a war zone under the control of the Farabundo Marti National Liberation Front [FMLN] as part of an administrative mission, as the U.S. Embassy in Honduras claims.

It is childish for the Pentagon to claim that the helicopter made a normal landing. The destruction of that aircraft refutes this. All local witnesses have mentioned the humanitarian attempt by our combatants to rescue the injured and turn them over to area residents to be taken to a hospital.

Furthermore, the aircraft's location does not match the route cited in the U.S. Embassy's communique. The order given to the U.S. advisers to overfly a war zone at a time when the FMLN is downing aircraft is suspicious. It is as if the aim had been to jeopardize the crewmen's lives and later use this incident to impress the U.S. Congress and pressure it into resuming the frozen military aid to the Salvadoran Army.

The U.S. Congress must conduct an in-depth investigation into this situation. The FMLN is willing to allow the presence of an investigating commission at this site that was overflown today by several U.S. helicopters; even though they were within range of our weapons, our units did not open fire.

In this regard, we reaffirm our call for reflection to ensure that this incident, which took place in a war zone and involved a armed aircraft, will bring us closer the moment the government shows seriousness in the negotiations and the U.S. Government assumes a specific commitment toward achieving peace.

UDN Leader Aguinada Carranza Defends FMLN

PA0801041091 San Salvador DIARIO LATINO in Spanish 5 Jan 91 p 3

[Text] Mario Aguinada Carranza, secretary general of the National Democratic Union [UDN] party, has described as an "invented contradiction" the U.S. version claiming that the three U.S. advisers who died when their helicopter was downed were assassinated by the FMLN [Farabundo Marti National Liberation Front].

"Such a version seeks to influence the U.S. Congress so it will decide to resume total military aid to El Salvador," the political opposition leader said.

Aguinada Carranza said the Bush administration wants to portray the FMLN as as organization that changes its stance and does not fulfill its promises. "We can say that the United States is not contributing to the process of a negotiated solution at a key moment when we know efforts are being made for a meeting between the government and the guerrillas to continue the dialogue," he added.

The political leader also said it would be wise to wait for the results of the investigations by the U.S. forensic experts who recently arrived in the country. "The FMLN has categorically denied that it executed the U.S. advisers," Aguinada Carranza said.

Referring to the possible disintegration of the Interparty Commission, the UDN secretary general said that such a proposal can only come from ARENA [National Republican Alliance], a party which "has endangered the commission by not complying with the commitments it signs, such as that of setting limits on the advertisement expenses in the electoral campaign."

Forensic Experts Examine U.S. Servicemen

PA0801040991 San Salvador Canal Doce Television in Spanish 0300 GMT 8 Jan 91

[Passages within quotation marks are recorded]

[Text] Salvadoran forensic experts, who participated in the autopsies of the U.S. servicemen, have reported that so far there are no conclusive facts on the circumstances in which Daniel Scott, David Pickett, and Ernest Dawson died. They added that scientific evidence continues to be gathered both in Salvadoran and U.S. laboratories to clarify their deaths.

The group of forensic experts said that the Salvadoran Legal Medicine Institute participated in the careful autopsy of the three U.S. servicemen so as to give judicial validity to the investigation.

[Unidentified speaker] "First of all, I want to tell you that the forensic team which arrived from the United States joined the Salvadoran team and we were able to work jointly on 4 and 5 January."

It was stated that some analyses still need to be concluded in both the national laboratories and the United States. Until then, only some partial conclusions can be reached.

[Unidentified speaker] "The body of the pilot had no bullet wound. The wound on the chin was a burn caused by the helicopter crash."

As for Dawson, he was shot in the back of the head, with the round exiting from the molar area. There was also a large wound on Dawson's tongue, as if he had bitten it in the fall. It was reported that Lieutenant Colonel Pickett had 10 bullet wounds in different areas of the body, all from top to bottom, making one suppose that he was shot while on the ground. Another important detail is that Pickett had blood in his lungs as a result of having several broken ribs, making his condition very serious prior to his death.

[Unidentified speaker] "A more detailed study on the ballistics and the evidence found at the site is being conducted right now but this falls outside of our expertise."

At an appropriate time, the results of this investigation will be presented to the Chinameca judge—in whose jurisdiction the incident took place. Therefore, that court will hear this case if the identity of those responsible for this suspected homicide is determined. It has also been stated that if those responsible are Salvadorans, there is no legal possibility for extradition to be granted. The Salvadorans who commit crimes on our territory can only be tried by Salvadoran law.

Cristiani Appeals to FMLN Groups for Peace

PA0801015991 San Salvador LA PRENSA GRAFICA in Spanish 7 Jan 91 p 3

[Text] President Alfredo Cristiani urged FMLN [Farabundo Marti National Liberation Front] radical groups to heed calls for peace at a meeting attended by thousands of ARENA [Nationalist Republican Alliance] political supporters. Cristiani headed a meeting during which the ruling ARENA ratified its candidates for the legislative and mayoral elections to be held in March.

Speaking after Major Roberto d'Aubuisson, Cristiani recalled that at the beginning of his administration he promised to conduct efforts to restore peace in El Salvador.

He said that within the negotiating process it has been necessary to endure "the FMLN's bad behavior," but that "patience has its limits." In a call to the FMLN's most radical groups he said that recent developments have shown that the peace process in the country is irreversible.

He added that during its first year, his government has accomplished what others could not achieve in years. Smiling, happy, and full of enthusiasm, President Cristiani said that 1991 will be the year of peace.

After greeting the public in his folkloric language, D'Aubuisson requested support in the upcoming elections, in which he said ARENA will "overwhelmingly defeat" the "foul fish, corrupt turncoats, the Democratic Convergence, the Shafik Handals, or whatever they are called."

Meanwhile, ARENA President Armando Calderon Sol predicted many victories for his party in the upcoming elections as opposed to a "fragmented" Christian Democracy that must resort to other organizations due to its lack of leadership and to leftist groups linked to violence.

UN, FMLN Talks Reported in Mexico City

PA0801041691 San Salvador Canal Doce Television in Spanish 0324 GMT 8 Jan 91

[Text] The talks between UN mediator Alvaro De Soto and the Salvadoran Government and FMLN [Farabundo Marti National Liberation Front] delegations concluded in Mexico City over the weekend without any major results. According to Mexican sources, the talks were held between the mediator and the two delegations for four days, ending on the night of 5 January.

According to the sources, the participants delved further into the issue of the armed forces, which will be the main topic in the next direct meeting between the two delegations.

After the meeting this weekend, Mexican political circles speculate that the next direct meeting between the two delegations might be held between 10 and 15 January.

Guatemala

Electoral Tribunal Declares Serrano Winner

PA0701194091 Panama City ACAN in Spanish 1855 GMT 7 Jan 91

[Text] Guatemala City, 7 Jan (ACAN-EFE)—The Supreme Electoral Tribunal [TSE] of Guatemala today declared Jorge Serrano the official winner of Sunday's elections. According to the last vote count reported, Serrano obtained 936,389 votes, while Jorge Carpio received 438,990.

Reports from 5,110 voting tables out of 5,330 around the country have been received, and the results are as follows:

Jorge Serrano	936,389	68.12%
Jorge Carpio	438,990	31.68%
Valid votes	1,363,430	43.01%
Null votes	68,660	2.17%
Blank ballot	5,046	0.16%
Not used [sin uso]	1,732,753	
Abstention rate		55.00%

TSE Head Confirms Serrano Victory

PA0701124791 Panama City ACAN in Spanish 0646 GMT 7 Jan 90

[Text] Guatemala City, 7 Jan (ACAN-EFE)—Early this morning, Arturo Herbruger, president of the Guatemalan Supreme Electoral Tribunal (TSE), confirmed that Jorge Serrano of the Solidarity Action Movement (MAS) as the "virtual Guatemalan president."

Herbruger indicated that after having counted 75 percent of the ballot boxes, 45-year-old Serrano, a Conservative evangelist, had obtained 712,088 votes, in other words, 68.3 percent of the total valid votes cast, against 329,000 (31.6 percent) obtained by his opponent Jorge Carpio, also a Conservative from the Union of National Center (UCN).

The TSE will release the final election results at 1800 GMT today and will present Jorge Serrano and Gustavo

Ospina, also of MAS, with their credentials as president-elect and vice president-elect, respectively.

Jorge Carpio Acknowledges Election Defeat

PA0701142891 Panama City ACAN in Spanish 1334 GMT 7 Jan 91

[Text] Guatemala City, 7 Jan (ACAN-EFE)—Jorge Carpio, the loser in Sunday's presidential election in Guatemala, today acknowledged with resignation his defeat and announced that he will continue as the head of the Union of National Center [UCN], as "the largest opposition force" to the Jorge Serrano government.

Carpio stated: "We have lost the elections, but from the opposition we will keep a close eye on the Serrano administration."

Carpio said that "it is too early" to say if he will seek the presidency in 1995. The 58-year-old journalist and editor was also defeated in the 1985 general elections, the first elections to take place following 50 years of military governments in Guatemala. Vinicio Cerezo won those elections.

According to the latest official vote count taken early this morning, Jorge Serrano—leader of the Solidarity Action Movement—had more than 715,000 votes, and Carpio had 329,000.

Serrano thus has become the second freely elected president of Guatemala in the past six years and the first evangelist chief of state to govern a country. Guatemala has a population of 9.5 million, mostly Catholic.

Serrano will be sworn in on 14 January.

Serrano 'Sources' Hint at Cabinet Choices

PA0701161291 Guatemala City PRENSA LIBRE in Spanish 7 Jan 91 p 2

[Text] Sources with links to Jorge Serrano Elias, of the Solidarity Action Movement, have unofficially reported that his cabinet will be comprised of members of the National Vanguard Party, one from the Democratic Socialist Party, as well as members of Coordinating Committee of Farming, Commercial, Industrial, and Financial Association.

Former presidential candidate Alvaro Arzu is mentioned as a possible foreign affairs minister; Mayor Alvaro Heredia, communications, transport, and public works minister; Dr. Miguel Angel Montepeque, public health minister; Adolfo Boppel, agriculture minister; Richard Aitkenheead, economy minister; Maria Luisa Beltranena de Padilla, education minister; and Audelio Castillo, minister of specific affairs.

Likewise, it has insistently been said that Dr. Mario Solorzano will be appointed public health and social welfare minister; Ricardo Mendez Ruiz, government minister; General Juan Leonel Bolanos Chavez, defense minister; Diego Pulido or Raquel Zelaya, finance minister; and Rafael Rottmann Ruiz or Manuel Conde, in charge of public relations for the Presidency.

Manuel Bendleldt would be appointed development minister; Amilcar Burgos, to the Economic Planning General Secretariat [Secretaria de Planificacion Economica] (Segeplan); and Federico Linares, to head the Bank of Guatemala.

Serrano Announces Appointments

PA0701194691 Guatemala City Cadena de Emisoras Unidas in Spanish 1841 GMT 7 Jan 91

[Text] A few minutes ago at a news conference under way in the Las Naciones room of the El Dorado Hotel, President-elect Jorge Serrano Elias released the names of the people who will comprise his cabinet. Serrano confirmed that former Guatemala City mayor and former presidential candidate Alvaro Arzu will be appointed foreign minister; Raquel Zelaya Rosales, finance minister; Mayor Alvaro Heredia, communication, transport, and public works minister; Maria Luisa Beltranena de Padilla, education minister; Adolfo Boppel, agriculture minister; Richard Aitkenheead, economy minister; Miguel Angel Montepeque Contreras, public health minister; Mario Solorzano Martinez, public health and social welfare minister [title as heard]; Carlos Leonel Urtarte, energy and mines minister; Audelio Castillo Barajas, minister of specific affairs, with the task of forming a commission to close down this office; and Manuel Bendleldt Alvarez, urban and rural development minister. General Juan Leonel Bolanos Chavez will remain in his post as defense minister.

With regard to secretariats, Serrano confirmed the choice of Guillermo Gonzalez Flores as presidential private affairs secretary; Manuel Eduardo Conde, secretary for political affairs; and Marco Antonio Leon Rivera, secretary for presidential particular affairs [asuntos particulares].

The presidential specific council will consist of Ernesto Viteri Echeverria, Amilcar Burgos, and (Francois Verge). President-elect Serrano confirmed that Federico Linares Martinez would be appointed Bank of Guatemala president.

Serrano Plans To Attend Mexico Summit

PA0701130691 Mexico City NOTIMEX in Spanish 0615 GMT 7 Jan 91

[Text] Guatemala City, 6 Jan (NOTIMEX)—Guatemalan President-elect Jorge Serrano Elias said today that he will be present in the upcoming presidential summit for only few hours to greet the presidents of Mexico and Central America; who will meet 10-11 January in Tuxtla Gutierrez, in Chiapas State.

In a news conference held shortly after claiming victory in Sunday's presidential elections, Serrano said that he had been invited to the summit that will take place in Mexico.

Serrano pointed out, however, that it will be "very difficult" to stay more than a few hours in Tuxtla Gutierrez "due to practical problems related to the organization of his government."

The Guatemalan president-elect will be sworn in on 14 January.

According to the preliminary results of the presidential runoff elections, Serrano had a large advantage over his opponent Jorge Carpio of the Union of the National Center (UCN).

Indians 'Practically Rebel' Against Army, Police

PA0701183391 Paris AFP in Spanish 2325 GMT 6 Jan 91

[By special AFP correspondent Arturo Gudino]

[Excerpts] Santiago Atitlan, Guatemala, 6 Jan (AFP)—Without paying much attention to the presidential elections of Sunday, 6 January, the Indian population of Santiago Atitlan, 150 km west of Guatemala City, practically rebelled against the Guatemalan Army and National Police, because the Indians are fed up with the "kidnappings, murders, and disappearances" in that region.

More concerned about their own safety than about the election of the person who will govern Guatemala for the next five years, thousands of Indians have been standing near the voting centers since early Sunday morning, not to cast their vote but to comment on the weekend incidents in which five policemen were almost lynched by thousands of angered demonstrators. [passage omitted]

The policemen were rescued by Human Rights Attorney General Jorge de Leon Carpio on Saturday, 5 January. De Leon arrived in Santiago Atitlan to try to prevent a drastic response from the Guatemalan military. [passage omitted]

Mayor of Escuintla 'Ambushed' by Assassins

PA0401220691 Guatemala City Teleonce Television in Spanish 1900 GMT 4 Jan 91

[Excerpts] The police are looking for the assassins of Escuintla Mayor Marco Tulio Collado Pardo, who was shot to death this morning in that departmental capital. Here is a last minute report by our correspondent Victor Pereira:

[Begin Pereira recording] The motive for the crime is as of yet unknown, but we note that the body has several bullet wounds. We are also looking at the vehicle in which the mayor was traveling, a Dodge pickup truck with license plate No. 258046, which was completely destroyed. [passage omitted] [end recording]

Collado Pardo had been elected mayor of Escuintla in 1985, running as a Guatemalan Christian Democracy candidate. According to reports, he was ambushed at approximately 0830 by individuals in two vehicles as he was traveling in his pickup truck near the Aguas de Sal recreation area in Escuintla. [passage omitted]

Nicaragua

Presidency Minister 'Hopeful' on Debt Negotiations

PA0501024391 Managua BARRICADA in Spanish 3 Jan 91 pp 1, 4

[Report by Ricardo Pino Robles, including interview with Presidency Minister Antonio Lacayo; place and date not given]

[Text] Presidency Minister Antonio Lacayo has confirmed that a technical mission with experts from the World Bank, the IMF, and the Inter-American Development Bank [IDB] will arrive in Nicaragua on 14 January to discuss the economic stabilization plan with the government.

Support for this program by the international community is a prerequisite to negotiate for the $350 million needed to finance payment of the outstanding $350 million owed to multilateral lending institutions.

In an extensive interview with BARRICADA, Lacayo was hopeful that in the next four months the government will make substantial headway in renegotiating the bilateral debt with various governments, which will end with the Paris Club negotiations.

The official optimism, however, does not take into account the critical international situation, which could worsen due to the Persian Gulf crisis.

Regarding the future introduction of the gold cordoba, Lacayo said that if at all possible, the exchange rate will be maintained, "but the basic thing with this new currency is not its parity but its stability."

[Pino] What are the economic prospects for Nicaragua during the first months of 1991?

[Lacayo] The main initiatives for improvements in the economy, both nationally and internationally, will have been met by the government in the first four months—even before the end of the government's first year in office.

I believe that the internal agreement, signed on 26 October by the government, businessmen, and workers, is the keystone by which recovery of the economy will begin. This requires the country's stability, which is also part and parcel of the National Economic and Social Concerted Effort [Concertacion Nacional Economica y Social].

Activating the economy is not just the government's task, or the workers, or businessmen, but everyone's, including religious and intellectual movements and the university community, because it is the business of all Nicaraguans.

Internationally, work is being done around four basic points:

1. Details of January's stabilization plan;

2. A meeting in March to resolve the debt problem with the World Bank;

3. Negotiations with the Paris Club regarding the foreign bilateral debt;

4. Giving a new boost to foreign cooperation activities.

International Negotiations

The first point, perhaps the most important, refers to the detailed preparation of an economic and development stabilization program, for which we have the technical guidance of an international mission that will arrive on 14 January. It is headed by IDB and IMF experts, who will stay two or three weeks.

We have the main program outlined, such as was explained at the Paris Club on 3 and 4 December.

Once this program is worked out in detail, we should go on to the next task, which is to convince the international community that it is important to support Nicaragua with its debt repayment efforts to the IDB and the World Bank.

A $350-million debt accumulated when the previous government practically ended its economic relations with those two entities, and stopped payments.

This $350-million debt is not much when compared to the $11 billion Nicaragua owes various countries. It is a very special debt, however, because neither the World Bank nor the IDB condone or refinance debts as governments do.

The debt has to be repaid, but Nicaragua has no money. We need to go to friendly countries to receive donations that will allow us to clear the debt. That is why, in Paris in December, a meeting was held with the consultive group led by the World Bank and comprised of the IDB, IMF, and some 20 countries, friends of Nicaragua.

We explained our situation and reported on what we have done since April and on the need to cancel that debt. Everyone asked for a more detailed economic plan to be presented during a second meeting at the end of March in Washington or Paris.

Until now, the United States has granted $50 million, the Netherlands $6 million, and France has promised $3 or $4 million. We still have a long way to go, and we must convince countries like Japan, Germany, The Scandinavian countries, the Netherlands, Spain, Italy, and Canada.

Once we cancel our overdue payments, these two institutions will be in a position to grant us loans with very favorable conditions. We need these loans urgently to build highways, improve our ports and schools, finance cattle production, promote coffee plantations, breed and fatten cattle, and reactivate our fishing and mining sectors.

At the meeting with the Paris Club, we will come face to face with our creditor nations. Germany, France, Spain, Italy, the Netherlands, the United States, and others will be there to negotiate Nicaragua's bilateral debt with each of them. These countries are aware that Nicaragua can not pay because our economy was badly battered by the war and for many other reasons.

Before the meeting with the Paris Club, Nicaragua should renegotiate as many debts possible with countries like Venezuela, Mexico, the USSR, Czechoslovakia, Poland, Hungary, Bulgaria, and even with the Central American countries. These renegotiations would serve to make the members of the Paris Club feel duly motivated to grant us similar conditions.

Our fourth task, complementing the other three that I have mentioned, deals with foreign cooperation. Nicaragua must very actively seek international aid for various programs, especially those of a social nature. This is why we revived the Foreign Cooperation Ministry.

We need help to ensure that the economic adjustments that we are and will continue to implement will enjoy a sort of buffer to protect the most vulnerable segments of society, especially children, pregnant women, the unemployed, and poor people in general.

With the momentum created by these efforts, I estimate that we will have weathered the most critical phase of the crisis that we have endured since May by the end of our first year of government on 25 April.

[Pino] It will not be until after March that the problem of our arrears with the international banks will probably be resolved; thus, the country would not receive new loans until a later date. Will there be guarantees to finance the early stages of the upcoming agricultural cycle?

[Lacayo] We will make every effort to grant more financing to this year's harvest than last year's. This will greatly depend on the level of loan payments. It is important for everyone to help make Nicaraguans realize that loans are not gifts. A producer who receives a loan and fails to pay it back is not only hurting society but himself as well.

If recipients acquired the habit of paying back loans plus interest, banks would, with additional loans acquired abroad, become self-sufficient and be able to finance greater economic activity with the help of loans we acquire abroad year after year.

[Pino] Is it possible that the gold cordoba will circulate in the economy before 25 April?

[Lacayo] I think that is a possibility because in the first two months of this year we are going to try to reduce the fiscal deficit to a minimum. In so far as the government

is able to live with its own resources, there must not be more currency printed, and the rate of inflation can decrease.

We want the gold cordoba to make its entry at a time when the inflation rate is not being fueled. If possible, we will try to maintain the exchange rate, although the fundamental thing about this currency is not its parity to the dollar but its stability.

[Pino] What initiatives will your government promote this year to attract foreign investments?

[Lacayo] This government already began to take steps in this direction. We were very active in 1990. The new foreign investment bill is already in the hands of the National Assembly and it will be one of the first laws to be debated in 1991.

Numerous investors from all over the world—from the Americas as well as from Europe and Asia—have come to Nicaragua on exploration missions. Regarding investments, we must realize that the government alone cannot woo investors because this is a task that falls on all Nicaraguans. If an investor comes and finds a strike, a roadblock, or a highway or ministry taken over, he will logically say: "This country is not yet stable. I better go elsewhere."

This point came accross in the matter of the consensus agreements. Even the Constitution states that foreign capital is welcomed, as long as our principles, our laws, and our sovereignty are respected. To be sure, an investor feels more at ease when there are private banks and not just one state bank. We believe state and private banks must exist. That is why the executive sent a bill to the National Assembly that will also be debated in the first days of the new legislature period.

[Pino] Until now, only Venezuela is supplying oil to Nicaragua. What is happening with Mexico? Can we have access to Soviet oil once again?

[Lacayo] Mexicans do want to supply oil to Nicaragua, but we have not finished negotiating the debt with Mexico, as we did with Venezuela. The two countries had set the condition that we negotiate their respective debts to resume the sale of crude to us under terms that entail a 20 percent credit payable in five years. We hope to sign an agreement with Mexico in January.

The Soviet Union has a strong political commitment to help Nicaragua. We are working on the final details of Mrs. Chamorro's trip, scheduled for February. The Soviets, however, are experiencing very harsh conditions. Regarding crude oil, they are facing such serious problems in extracting oil that they are rationing that product, which is something we are not doing. Still, we believe that is one of the topics Mrs. Chamorro will discuss with Soviet President Mikhail Gorbachev. We are hopeful they will continue to support us, especially now that the price of oil is so high because of the Persian Gulf crisis. If the situation in that country improves a little and that crisis is resolved, I have no doubts that the Soviet Union will give us its support in this area, if not in the first months of 1991 and certainly during the course of the year.

Demobilized Contras Seize Church in Managua

PA0501014191 Managua Domestic Service in Spanish 1815 GMT 4 Jan 91

[Text] On Wednesday, 2 January, 43 demobilized members of the Nicaraguan Resistance [RN-contras] and their relatives seized El Calvario Church, in Managua, to pressure the government into providing them with medical assistance, annuities for widows and orphans, housing, and jobs.

Spokesmen for the group reported today that the recovery movement is directed toward providing material assistance for their reintegration into civilian life.

The group is asking the government for an office that would serve as headquarters for the anti-Sandinist rebel organization, and for vehicles, legal advice, and aid for war orphans.

The group is also asking that they be represented in the National Agrarian Commission, an entity organized last October by the Chamorro Government to search for a solution to the demands for land being made by the demobilized contras.

(Raul Yano), secretary general of the Association of Demobilized Members of the Nicaraguan Resistance, who is at the Catholic church, said the following:

[Begin recording] [(Yano)] We seized the church on Wednesday. The purpose is to strive for the 11 demands we have made known to the government through the media.

The most important of these points are those that call for medical attention and health services for political prisoners; for the International Commission of Support and Verification [CIAV] and the Organization of America States to give demobilized status to 50 RN members who were unable to be demobilized; and for annuities to be given to relatives and orphans of those who died in combat.

We are also struggling for the transfer of CIAV offices to the urban area of this city and for the assignment of vehicles to members of our board of directors throughout the country. We also want better conditions in the organization's office south of the Lottery Building.

Our struggle will not conclude until we are sure that our demands will be met.

[Reporter] How long will you be here? How many people are involved in this seizure of the church? What have you been doing recently? Are you working? Are you unemployed? What do you do?

[(Yano)] How long we stay here depends on the government's answer. The moment the government gives us a positive answer, we will abandon this attitude. The

number of people participating in this varies, because some supporters leave and others come, but the peaceful protest attitude is maintained, and this is what is important. The number of participants varies from 15, to 20, to 30. In the afternoon we have more people here. We are not planning to extend our action to other areas, but we are analyzing that possibility. We are waiting to see what kind of answer the government gives us. Meanwhile, we cannot decide on what actions we will adopt in the near future.

[Reporter] You are presently in this church, located in the populous sector of the eastern market. Have you had the support of the people who work in the eastern market?

[(Yano)] We have received their support in the form of food and even donations of money to pay for our transportation expenses.

[Reporter] What is the opinion of this church's parish priest? Has your seizure of the church hindered his daily parish activities?

[(Yano)] Our taking over the church has, naturally, hindered the institution's activities. He, however, understands our problems and needs. He is a very open-minded person. He has said that he only wants us to protect the building and keep the church clean. He does not want us to damage the building.

[Reporter] Was your action prompted by the Sandinists' action, the ORD [not further identified] protest in front of the presidential palace, or did you decide on your own to take this action?

[(Yano)] This action is the result of our needs. It has no connection with ultra-leftists or ultra-rightists. This action is strictly to present our demands and is definitely not a political action by any side. [end recording]

Panama

Legislative, Executive Branches Meet in Cermeno

Intend To Smooth 'Rough Edges'

PA0701164291 Panama City LA PRENSA in Spanish 6 Jan 91 p 1

[Elkilia Santos report]

[Text] The executive and legislative branches held a four-hour meeting at the presidential retreat in Cermeno, Capira, intended to smooth rough edges. They decided to appoint a commission consisting of members of those two branches to stimulate the government alliance.

Government and Justice Minister Ricardo Arias Calderon said that he believes that, if the positive atmosphere that prevailed at this meeting is maintained, "we are on a good path."

Arias Calderon said that during the meeting, which included the president, ministers, chiefs of autonomous entities, and legislators, they presented suggestions to smooth the operation of democracy and the government alliance.

Some of the suggestions made were for measures to be taken in 1991 concerning social affairs, politics, the economy, and public security.

The participants analyzed ways to improve communication and coordination between the executive and legislative branches. They also analyzed mechanisms to allow them to, jointly, defend the democratic regime, both internally and externally, said the government minister.

President Endara proposed the creation of a joint commission comprised of members of both branches to study the agreements that have been made and to develop a political work plan. His proposal was accepted.

Arias Calderon announced that, when the political plan is drafted, they will meet again to present it.

For his part, President Guillermo Endara said that the meeting was warm and friendly and that it was conducted as expected.

He also said that the Security Council will continue to operate and that the public has to get used to the idea that a democracy needs the support of an intelligence service to exist.

The Panamanian President said that security services exist in all of Latin America and he mentioned two models. One model is run by the Armed Forces and the other is controlled by the Presidency, as is the case in Costa Rica.

With regard to the Legislative Assembly's ad hoc commission that is investigating the nature, legality, and legitimacy of the Security Council and the fact that it is managed by Menalco Solis, the president said that he will not interfere because each branch is independent.

This meeting was held after more than two weeks of conflict between the two state branches stemming from criticism by the legislative branch of the creation by the executive branch, without consultation, of a security office operating out of the Presidency, the executive secretary of which is Menalco Solis. There was no in-depth discussion of this topic.

Legislator Alberto Cigarriusta said that he was not absolutely pleased with the meeting because the issue of the National Security and Defense Council was not thoroughly discussed.

Gloria Moreno de Lopez, legislator for the Christian Democratic Party and one of the protagonists in the conflict, did not attend the meeting, but most of her fellow party members did.

Unity Stressed in Face of Challenges

PA0701171691 Panama City LA ESTRELLA DE PANAMA in Spanish 6 Jan 91 pp A-1, A-2, B-16

[All quotation marks as published]

[Text] Members of the executive and legislative branches have held a rapprochement meeting at the government-owned Cermeno country home in Capira District.

In opening the work session, President Guillermo Endara Galimany pointed out that "we have come here to renew and strengthen relations between the executive and legislative branches.

"As a single unit, the government alliance must tackle this year's challenges by channeling investment programs primarily to the neediest segments of the population, President Endara added.

First Vice President Ricardo Arias Calderon indicated that there is a need to implement aggressive programs to defend democracy at home and abroad. Arias Calderon called for greater consolidation of the government alliance.

Second Vice President Guillermo Ford thanked the legislators for defending and supporting democracy with their march from the Assembly to the Presidency to voice their support for democracy and the government headed by President Guillermo Endara on 5 December [when Colonel Eduardo Herrera, National Police general director, staged a failed coup attempt].

"We will hold talks among friends because we are and belong to a single government, Ford said, and added that the relationship between the Planning Ministry and Legislative Assembly will be more apparent this year.

Legislative Assembly President Alonso Fernandez said that there are no differences with the Legislative Branch and this is demonstrated by the presence of the parliamentarians at this meeting. Fernandez pointed out that there are well-defined goals and that we will help the country and people attain that goal of peace, justice, and prosperity.

The following legislators expressed their views: Carlos Arellano Lennox, Lucas Zarak, Milton Henriquez, Alonso Villareal, Francisco Artola, Hernan Gnaegi, Librado Montenegro, Leo Gonzalez, Luis Narvaez, Erick Fidel Santamaria, Olimpo Saez, Nodier Miranda, Alfredo Ehlers, and Rolando Martinelli. All parliamentarians voiced their support for President Guillermo Endara Galimany, but called for greater communication between the two branches.

In Cermeno they stressed the need to further strengthen the state's information policy to ensure that the community is informed of the achievements and progress achieved by the government. To each legislator, minister, and director of institutions to ensure that the members of the Executive Branch promptly meet with the representatives of the Legislative Branch to find solutions to community problems. [sentence as published]

The president promised to carefully discuss each point presented by the legislators and to convene another work session at a later date.

The president described the Cermeno meeting as very positive and added: "We assessed the work that we carried out in 1990 and our plans and projects for this year. Once again it has been demonstrated that opposing views among members of state branches can exist, but that this does not mean that there is a rupture; quite the contrary, we all agree that the government alliance is strengthened by meetings such as this.

Others who attended the meeting included Authentic Liberal Party President Arnulfo Escalona, Arnulfist Party President Jorge Pacifico Adames, Molirena [Nationalist Liberal Republican Movement] President Alfredo Ramirez, Panama District Mayor Guillermo Cohez, Authentic Liberal Party Vice President Joaquin Fernando Franco, ministers of state, and directors of autonomous institutions.

Financial Agency Issues Requirements for Loans

PA0801001191 Panama City EL PANAMA AMERICA in Spanish 6 Jan 91 p 1A

[Text] The International Financial Institution [IFI] has issued a list of pending measures to be implemented by Panama so that new loans may be negotiated. Those measures include privatizing port activities, reducing customs tariffs, and revising special labor laws.

A document dated 12 December, to which EL PANAMA AMERICA had access, noted that no basic decisions have been made regarding essential reforms in public utility institutions, such as IRHE [Institute of Hydraulic Resources and Electrification], Intel [National Institute of Telecommunications], Port Authority, and Idaan [National Water and Sanitation Institute].

The IFI has proposed that the central government sign a contract with public utility institutions to improve their efficiency. To that effect, they have proposed revising legal aspects on rental and labor laws, and the Fiscal Code pertinent to those state institutions.

The program includes privatizing some public service functions, particularly those carried out by the Port Authority.

In the area of adjustments in the commercial and industrial sector, the IFI requires the advancement of reforms to June 1992 instead of 1994 in quantitative restrictions and high custom tariffs.

The credit institutions have also asked the government to reduce all customs tariffs on food products to a maximum of 90 percent, as established in law No. 3 of 20 March 1985.

The IFI has also said that the Panamanian public sector has too many employees on its payroll and that in some institutions the number of personnel is 40 percent above what is necessary. It recommended the establishment of personnel reduction programs in the public sector. Those programs would include privatizing the functions of former employees and offering monetary incentives to employees who retire voluntarily. The financial institution has recognized that controls on expenses have improved; however, it stressed the need to accelerate investments to encourage economic recovery, increase expenses for social programs, and reduce unnecesary controls on the budget.

At the same time, it recommended an overall strategy aimed at reducing poverty and unemployment, giving priority to health, education, nutrition, and housing programs.

The state's general budget contemplates income through credits from the IFI for 66.2 million balboas and obtaining new loans from those same institutions for 250 million balboas.

We must note that six days after the IFI issued the list of pending matters, Guillermo Ford, minister of planning and economic policy, sent a letter to President Endara in which he mentioned these and other aspects. Ford also warned the president that unless a decision was made before the first week of January, the negotiations for new loans could be at risk.

Should the process of making decisions on the matters listed come to an end, Panama would not be able to request the presence of missions from the World Bank and IDB [Inter-American Development Bank] to evaluate the advancements made in those areas.

In addition to complying with the requirements presented by the IFI, the country must pay an overdue debt of 610 million balboas it has with those institutions to receive new loans.

Argentina

Foreign Ministry Releases Communique on Haiti

PY0701230491 Buenos Aires TELAM in Spanish 2103 GMT 7 Jan 91

[Text] Buenos Aires, 7 Jan (TELAM)—The Argentine Government has expressed its satisfaction over the return to normalcy in the Republic of Haiti after the failure of the coup d'etat carried out by individuals linked to the deposed Duvalier dictatorship and led by former Minister Roger Lafontant.

In a communique, the Foreign Ministry also reaffirms its total support for and solidarity with that country's lawful authorities, headed by Provisional President Ertha Pascal Trouillot.

The Argentine Government once again reiterates its recognition of President-elect Jean Bertrand Aristide, the legitimate winner of the 16 December elections, which relied on the presence of international observers from the United Nations and the OAS, the communique adds.

The communique concludes with a call to the international community asking that cooperation for an effective and peaceful transition of power in Haiti be channeled through international (the United Nations and the OAS) and regional (the Rio Group) groups, thus helping the new government begin the social, political, and economic recovery of this sister Caribbean country within the framework of full respect for democratic institutions and human rights.

Iraqi Envoy Meets Menem, Views Geneva Talks

PY0701230091 Buenos Aires TELAM in Spanish 2044 GMT 7 Jan 91

[Text] Buenos Aires, 7 Jan (TELAM)—Iraqi Ambassador Taha Yassin al-Basri visited Government House this afternoon to say good-bye to President Carlos Menem as he concluded his tour of duty in Buenos Aires. The ambassador stressed that the dispatch of two Argentine naval vessels to the Persian Gulf will not affect the good relations between the two countries.

The diplomat also indicated that although the Iraqi foreign minister and the U.S. secretary of state will arrive at their Geneva meeting with firm positions, this does not mean that a favorable result cannot be achieved.

Menem on Election Schedule, Colonel Seineldin

PY0701140291 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1259 GMT 6 Jan 91

[Text] Mar del Plata, 6 Jan (NA)—President Carlos Menem this morning confirmed that general elections [not further specified] will be held next October, thus ruling out the possibility of early elections. He added that by complying with the preestablished timetables the government demonstrates the seriousness of the election process.

The president said this a few minutes before departing for the tourist resort of Chapadmalal, where he will dedicate a new summer resort.

Speaking of other matters, Menem admitted that Colonel Mohamed Seineldin did visit him in his private home and did suggest the name of Humberto Romero, among other candidates, as minister of defense.

The president clarified that he personally decided on the minister's appointment, but he acknowledged that Seineldin did suggest the name.

Menem said "there is nothing wrong" with a colonel submitting a name for the president's consideration as defense minister. He admitted that the chief of the Villa Martelli and three December military uprisings did on one occasion visit him at his private home.

When the president was asked whether it is normal for a colonel to ignore the chain of command and suggest names for the post of defense minister, Menem answered: "Although the final word and decision is made by the president of the Republic, such suggestions are made in all parts of the world."

Changing the subject, Menem ruled out any cabinet changes and said that his ministers "are as firm in their posts today as ever."

[Passage indistinct] the president of all the Argentine people, not only of the Justicialist Party followers, although I think that those who want an Argentina with a completely different history will have to vote on the president's men." [sentence as received]

Bolivia

COB Takes Firm Stance Against Economic Policy

PY0701171891 La Paz Radio Fides Network in Spanish 1100 GMT 7 Jan 91

[Communique from the Bolivian Workers Federation (COB); place and date not given—read by unidentified announcer]

[Text] We call for protest demonstrations against the steep fuel price hikes and against unemployment, seeking to defend the people who refuse to die from hunger [as heard].

1. By raising fuel prices by more than 35 percent, the executive branch has dealt the harshest blows to the country's impoverished majority. With this New Year's gift from the government, we are condemned to the most scandalous poverty for the whole of 1991. We have already lived for five years submerged in poverty and we refuse to continue living much longer in worse poverty. We have to stop this increasing social poverty.

2. The executive branch authorities are resorting to a misinformation policy based on lies. They are lying to the country when they contend that the fuel prices were raised to ensure the immediate happiness of the people by using such revenues as matching funds, immediate investments, and economic reactivation, etc. The truth is different, however, because revenues from such price increases will be earmarked for payment of the foreign debt, a debt that was not contracted by the people.

The executive branch also alleges that the measure was adopted to stop smuggling, to bring prices up to international levels, and to face up to the Persian Gulf crisis, but the daily fuel price and dollar exchange rate increases are proof of the outright failure of the government's economic policy, a failure for which the government punishes the country's impoverished majorities.

3. On the other hand, there can be no reactivation while the unemployment rate continues to climb. The government stubbornly remains behind its false promise to convert Comibol [Mining Corporation of Bolivia] into a risk-shared enterprise when it really wants to close Comibol and to privatize YFPB [Bolivian Government Oil Deposits], LAB [Lloyd Bolivian Airline], and the development corporations. Worse yet, under the decentralization cliche, the government plans to stamp out three essential human rights; namely, education, health, and social security.

The executive branch has also militarized the coca-producing zones, seeking to implement the policy of coca eradication. This will throw thousands of peasants into extreme poverty.

These are the type of criminal measures that those who want to gain the regime's good grace seek to justify because they have never personally suffered poverty and, consequentially, applaud the government's measures.

4. An economic policy is valid only if it can help resolve the increasing poverty of the country's popular sectors. Therefore, economic policies that sink the people into greater poverty, backwardness, and dependency are equivalent to acts against humanity and are outright crimes. The government's policy is just this.

5. We do not have a democratic regime at this time, we have a civilian dictatorship which brazenly tramples on the independence of the government branches; it neutralizes the supreme court seeking to help former dictator Garcia Meza; it imposes the unconstitutional hydrocarbons and mining laws; it murders and tortures; it institutionalizes corruption as ministers continue to make cynical statements.

The workers assembled in a national meeting on 4 January 1991 at the call of the COB's National Executive Committee and, after careful analysis, resolves:

1. To declare a permanent state of struggle which will begin with a 48-hour nationwide strike between 0000, Tuesday 8 January and 2400, Wednesday 9 January. This nationwide strike should be marked with mobilizations throughout the national territory.

2. To assert the peoples' right to survival, all methods of struggle are valid. During the strike, we should come out on the streets and fill the historic San Francisco Plaza on Tuesday 8 January at 1500. At that time we will stage a march of protest against the increased fuel prices and ratify our unity and alliance with the Bolivian Drivers' Confederation and neighborhood boards.

Today more than yesterday, we need a tightly and strongly united federation to effectively defend workers from the MIR-ADN-PDC [Movement of the Revolutionary Left-Nationalist Democratic Action-Christian Democratic Party] dictatorship

3. The departmental and regional workers' federations and all the popular, civic, and neighborhood organizations should take to the streets and observe the nationwide 48-hour strike throughout the country in militant support of the COB petition which sums up all our most urgent needs. These needs include defending national patrimony; asserting the right to education, health, and social security; opposing the militarization and eradication of coca activities; protecting union workers, craftsmen, and small merchants.

4. The national confederations and federations of health, electricity, telephone, and water supply workers should designate a fixed number of emergency personnel to operate hospitals, electricity facilities, and water supply plants.

5. If discussions with the government do not go beyond the famous informative dialog, the COB National Executive Board and the main national leaders of all sectors are authorized to adopt the most prudent measures to defend the COB petition as the battle flag of the nation's poor.

La Paz, 4 January 1991.
[Signed] Executive Committee of the COB.

French Citizen Involved in Terrorist Attacks

PY0801001691 La Paz EL DIARIO in Spanish 29 Dec 90 p 3

[Excerpt] Recent investigations into the Nestor Paz Zamora Commission (CNPZ) reveal that it was Alan Mocile rather than Miguel Northtufster who led the attack on the Marine house in Miraflores District.

This report was released by Interior Under Secretary Raul Loayza, who also said that Mocile, a French citizen, is being questioned by the prosecutor about his participation in several terrorist attacks.

According to the investigations, Northtufster, alias "Commander Gonzalo," masterminded all the operations but did not directly participate in most of them, as did the rest of the CNPZ members.

Loayza said investigations into the case will continue in 1991 because there is still a great deal of evidence to be clarified.

He added that nobody has been arrested since 5 December, when several CNPZ members and kidnapped businessman Jorge Lonsdale were killed. He said that the judicial police have concluded all the investigations and that the detainees have been placed at the court's disposal. [passage omitted]

Brazil

'Satisfaction' With Haitian Coup's Failure Noted

PY0701233591 Brasilia Domestic Service in Portuguese 2100 GMT 7 Jan 91

[Text] In an official note released today by Itamaraty, the Brazilian Government has expressed its satisfaction with the end of the crisis in Haiti. According to the Brazilian Foreign Ministry, the Haitians have recovered the democratic process that began with the 17 December elections.

The note distributed by Itamaraty states that Brazil has actively participated in the democratization process in Haiti through its Ambassador (Joao Augusto Dementis), who also represented the United Nations, and also by sending experts from the Supreme Electoral Court to observe the recent elections in Haiti for the OAS.

The note concludes by saying that the Brazilian Government is in contact with the United Nations, the OAS, and governments of the Rio Group—which is made up of Uruguay, Argentina, Mexico, Colombia, Peru, Venezuela, and Brazil—to set additional measures that can be adopted to guarantee peace, order, and democratic legitimacy in Haiti, should Haitian Government officials request assistance from the international community.

Government Spending Expected To Drop $4 Billion

PY0701205091 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 7 Jan 91

[Interview with Economy, Finance and Planning Minister Zelia Cardoso de Mello by Carlos Magno in Brasilia—live]

[Text] [Magno] The first economic team meeting of 1991 began just after 0800 and it has not yet ended. The objective of the meeting, which is expected to end late this afternoon, is to evaluate the economic plan and to set goals for the year. Among these goals is a reduction of government spending, which the Economy Ministry expects to reduce by at least one percent of the Gross National Product [GNP], or approximately $4 billion.

Economy Minister Zelia Cardoso, who still looks tanned after her stay in Angra, interrupted the meeting to speak with us. Minister, how will the government reduce its spending by one percent of the GNP?

[Cardoso] Basically by intensifying administrative reform. We believe that there are budget cuts that can and must be made in state-run companies and the central government. In the case of the central government, however, we must introduce some changes for which constitutional amendments should be enforced. We are analyzing the matter to submit a proposal to the president. Despite the fact that in 1990 our income and spending figures were entered into the books on time and we registered a cash surplus, we understand that it is essential to introduce such changes to enforce this additional adjustment.

[Magno] Why does the ministry want to change the method of calculating the inflation rate?

[Cardoso] Basically because we believe that the rate is not reflecting the actual inflationary index. There is a great difference between a price on a price list and the actual price paid by consumers. Large discounts of 50 or 60 percent are being calculated on price lists. Therefore, price increases are not as large as the inflation rate indicates.

[Magno] Thank you very much, Minister.

Chile

Government Condemns Attempted Coup in Haiti

PY0701193091 Santiago Radio Chilena Network in Spanish 1600 GMT 7 Jan 91

[Text] The Chilean Government has rejected and condemned the coup that occurred a few hours ago in Haiti. Foreign Minister Enrique Silva Cimma has reported that an official statement will probably be issued this afternoon. He added that the foreign ministers of the Rio Group will also issue a statement and that the idea of calling an urgent meeting of the OAS is being considered.

Silva Cimma said that, based on information received at the ministry, the coup is not being led by high-ranking officers but by soldiers and sergeants.

The Chilean Foreign Ministry has been unable to contact the Chilean ambassador in Port-au-Prince because phone communications have been cut off.

Minister on Contingency Plans for Oil Shortage

PY0701235491 Santiago Radio Chilena Network in Spanish 1600 GMT 7 Jan 91

[Text] Mining Minister Juan Hamilton said today that if the Persian Gulf crisis causes a reduction in oil production, Venezuela has made a commitment to cover the shortage. Juan Hamilton made this comment on the "Radio Chilena in the Gulf" program, which was aired at 0850 today.

[Begin Hamilton recording] If the price of oil imported by Chile exceeds normal levels, then the price will be subsidized. In other words, the consumer will not pay the

difference, which will be charged to the oil stabilization fund. In case of a great shortage of oil, Venezuela has made a commitment to help the countries of the continent which do not produce oil. If the situation is very serious, however, other restrictive measures will have to be implemented. [end recording]

Hamilton pointed out that Chile is prepared to face the consequences of the supply and price problem. Regarding supply, if the conflict affects not only Iraq and Kuwait but also other territories, Chile will resort to Venezuela. If prices increase over a certain percentage, the government will resort to the oil stabilization fund.

Lautaro Group Leader Arrested in Temuco

PY0701203091 Santiago Radio Chilena Network in Spanish 1600 GMT 7 Jan 91

[Excerpt] Carabineros Intelligence Directorate personnel have arrested one of the masterminds behind the Lautaro Rebel and Popular Forces. The detainee has been charged with being involved in some 20 subversive attacks, including the escape of prisoner Marcos Antonioletti.

At a news conference at Police Station No. 1, Colonel Luis Rebollo Rodriguez, Carabineros Metropolitan Zone prefect, reported details of the investigation. He said that (Victor Andres Ojeda Pruffer), 33, was arrested on 29 December in Temuco while visiting his relatives. A former law student at the University of Chile, (Ojeda Pruffer) reportedly confessed to being involved in some 20 terrorist attacks. The police report said that he joined the MAPU [United Popular Action Movement] in 1981 and traveled to the GDR three years later to receive guerrilla training. [passage omitted]

Political Prisoners' Relatives Take Over Prison

PY0701150491 Santiago Radio Nacional de Chile Network in Spanish 1000 GMT 7 Jan 91

[Excerpts] More than 100 relatives of the so-called political prisoners are still inside the former public prison. After visiting the prison inmates on 5 January, a group of 86 women, 37 men, and 28 minors have refused to leave the prison until the government grants their demands: They want their imprisoned relatives released.

The organizations that support the occupation of the former public prison have issued a statement noting that despite the government's publicized announcements, political prisoners have not yet been freed.

The statement claims that the so-called legal method has only served to allow the coalition government to make progress toward declaring a concealed amnesty. The organizations reiterate their criticism of the judicial branch, demand the publication of the whole truth, and warn the people that there is an attempt to conceal the truth or to publish it only partially. [passage omitted]

Carabineros removed from the front walls of the prison signs and banners of the demonstrators who were near the prison and who are linked with the sponsors of the prison seizure.

News agencies have sent several reports abroad listing the demands of the prisoners' relatives and reporting that no violent incidents occurred during the seizure.

Gendarmerie personnel on duty at the prison have denied that Carabineros members entered the prison to remove the prisoners' relatives. The relatives are still in the visitors sector.

The officer in charge of the prison's guard said that, contrary to what was reported by some radio stations, some 20 Carabineros have not entered the prison. The officer explained that Carabineros cannot enter the prisons without a court order. [passage omitted]

Colombia

Terrorist Bomb Explodes Killing 3, Injuring 13

PA0701180291 Bogota Inravision Television Cadena 1 in Spanish 0100 GMT 7 Jan 91

[Summary] An unidentified terrorist was killed last night when a dynamite charge he was carrying in a knapsack exploded. The tragedy at La Fantasia social club in La Dorada, Caldas Department, claimed the lives of three people, wounded 13 others, and destroyed the premises. It is believed the motive could be revenge involving Magdalena Medio criminal organizations. Among those wounded by the terrorist attack were children who are recovering at the San Felix Hospital at La Dorada. Most seriously wounded is a 14-year-old girl, who was burned by the strong explosion, and an 18-year-old boy, who worked at the social center's main desk, where the explosion took place. He lost one leg and his other leg must be amputated.

* Medellin Elites Fleeing Kidnapping 'Industry'

91SM0130B Bogota SEMANA in Spanish 4 Dec 90 pp 28-33

[Text] "It is almost impossible to get a quorum on the boards of directors of large companies. The members have either been kidnapped or have left Medellin," a leading Antioquia industrialist told SEMANA. According to official statistics, of the 1,153 kidnappings in Colombia this year, 205 have taken place in Antioquia. Kidnapping represents the new crisis that the people of Antioquia are living through, and its most specific and immediate consequence is an exodus of "affluent, thinking people," as Governor Gilberto Echeverri himself puts it. According to the authorities, 18 businessmen and 10 women from Antioquia high society are being held for ransom today. These are the known cases, because the police say that many of the kidnappings go unreported.

Those who know the city say that the "cream" of its society, around 100 families, have been forced to leave either because they have received kidnap threats or have already been kidnapped. Of the 100, at least 35 belong to the "cream of the cream" or, as they themselves say, the realm of Antioquia's "sacred cows." The final blow that hastened the emigration came two weeks ago, when Adolfo Arango, the president of Cemento Argos and the visible head of the so-called Antioquia syndicate, was the victim of a kidnapping attempt.

Although everyone in Medellin feels haunted by the specter of kidnapping, Adolfo Arango was regarded as an "untouchable." The thinking was that no one would try anything with this discreet, restrained, very low-profile enemy of ostentation. The unsuccessful attempt to kidnap this entrepreneur was, however, the final proof that in the Antioquia capital the game is being played for keeps. A survey conducted by the Medellin mayor's office reveals that one-third of the residents would leave the city if they could afford to.

The "skimming off" of the leadership class has left boards of directors without a quorum and big businesses without visible heads, but it has not shut down economic activity. Textile mills continue to weave millions of meters of fabric; furnaces keep on smelting tons of steel, and thousands of cars still roll off the Envigado assembly lines. In spite of the problems, trading on the Medellin Stock Exchange in October, for example, broke all-time records, as 25.53 billion pesos in transactions were recorded.

How has industry managed to avoid shutting down and how have companies managed to boost output? Antioquia businessmen have found a way not only to leave their number-two men in place but also to run their companies by remote control. Fax technology and speakerphones enable them to remain in the thick of things in making any decision. Besides resorting to modern technology, some of the businessmen who have left the city come and go as the requirements of their companies dictate, so that at no time are they leaderless.

Since they need to remain connected to the heart of their businesses and do not wish to miss a single detail of what goes on, most of them have fled to Bogota, Cartagena, or medium-sized cities like Manizales, Pereira, and Armenia. Bogota is the preferred spot, however. Not only it is a city that they know well and have had to visit often, since much of their business is done in the capital, but they can also move around more anonymously here. Also, one businessman told SEMANA, "we can immediately recover the quality of life that we have lost in Medellin. We can again go to restaurants, concerts, the theater, the movies.... Security problems in Medellin practically forced us to hole ourselves up in our own homes." Thus, an Antioquia urban planner says that "there are two ways of leaving the city, either take off or lock yourself up, because a city is no longer a city when you do not use public spaces, and in this city you just work and sleep...in private enclosures."

Cali is the only city in the country that does not figure among possible temporary havens for Antioquia natives, owing to the well-known suspicions that the presence of someone from Antioquia arouses in the capital of Valle, as a result of the so-called war of the cartels.

Overseas, Miami is the golden city of exile. Many Colombians are living there now because they already had an apartment there and because the city is familiar to them. They used to spend their vacations there and, moreover, kept one or two bank accounts there. Even so, exile is not easy in Miami. After the first few days boredom sets in owing to a lack of work. "The only thing that you have to do," says one industrialist, "is go to the bank every day to check on your balance."

Although for obvious reasons many stubbornly deny that there has been an exodus, it is a fact. It is not forever, however. The sources consulted by SEMANA estimate that only five percent of those who have left the city plan not to return. The others still hope that things will return to normal so that they can end their life in exile. This is why they have kept their businesses running and have not sold their properties. "If we Antioquia natives are known for anything, it is our attachment to the land, our love for beans and arepas, white lightning, and bambucos [local dance].... It is hard for us to live away from home. If Napoleon could not tolerate exile, how are we going to?" said a Medellin builder.

Many have left, but many have also stayed, for the aforementioned reasons. They take precautions, however, by armor-plating their cars, not returning to their estates, and not going out at night. "Dining out and parties are over," said one merchant, adding: "All you have to do is take a tour of the city's fine restaurants to realize that they are scared." To cite only one example, in just one month a well-known El Poblado restaurant saw its business drop by 65 percent.

The Kidnapping Industry

What is noteworthy at first glance about the violence in Medellin, compared to cities like Bogota and Cali, is the greater number of kidnappings, both in absolute figures and in proportion to the population. To give just one example, on 20 November three persons were kidnapped in less than 12 hours, among them Jaime Arango Velez, the manager of Tesma, the firm that organizes bullfighting events in Medellin and Manizales.

Thus, kidnapping is one of the harshest realities in the Antioquia capital, having become just another industry, a billion-peso industry, as ransoms range from 500 million to 10 billion. Almost anyone is a potential victim, from the biggest businessman to a neighborhood shopkeeper. The mayor of Medellin, Omar Florez, referring to how the business has prospered, said that "the situation is so serious that there are even managers in charge of ransoming kidnap victims. And I think that this practice, instead of furthering peace, only encourages crime and lends it a certain air as an industry."

Those who have studied the phenomenon feel that there are three kinds of kidnapping gangs, each of which has its own method, even though their goal is the same: money.

The first kind is the common criminal gang. These gangs are made up of traditional underworld people, employ very violent methods, and by and large, unlike the other gangs, mistreat their victims. They kidnap people to demand very large amounts of money and tend to resolve the incident quickly. Those who have been involved in ransom negotiations have been able to establish this.

The second type is gangs of organized criminals from the drug trafficking business. They are made up of hired gangland thugs and gunmen who have been left without permanent jobs. They too demand heavy ransoms and resolve matters quickly but, unlike the previous type, do not mistreat their kidnap victims.

The last type consists of guerrilla groups. They too demand heavy ransoms, but the negotiations are apt to last for months.

According to metropolitan authorities, this sinister business is profitable enough so that the gangs can have two "managers," one for the kidnapping operation and another for negotiating the ransom. What makes the problem even worse, as one businessman consulted by SEMANA commented, is that "the kidnapping industry judges assets according to the gangland model. In other words, since they were used to the drug traffickers' cash-on-hand approach, they think that everybody who has money keeps it under a mattress."

Kidnapping does not strike only the upper classes, however. According to the Medellin Metropolitan Police, "the crime of kidnapping no longer respects age or social status." Just a month and a half ago the authorities rescued a young girl who had been kidnapped by three teenage girls from her same neighborhood, Manrique, one of the most populous districts in the northeast section. A similar case had occurred in the same neighborhood in early August, as a four-year old boy was kidnapped by two women who demanded 2 million pesos for his release.

Lack of Confidence

The crime of kidnapping is encouraged by impunity and, moreover, by the widespread lack of confidence in the authorities. According to a poll conducted by the municipal government, more than three-fourths of the residents of Medellin said that "law enforcement agencies" had "no" credibility. This explains why many of the families of the kidnap victims do not report them and negotiate the ransoms privately. According to the law enforcement agencies themselves, half of the kidnappings go unreported, and most become known after the victims reappear, not when they are kidnapped. This, they say, is why the crime goes unpunished.

According to General Harold Bedoya, the former commander of the Fourth Brigade, "the trickiest kidnapping is the one that is not reported. The one in which a ransom is paid is the most damaging, because the kidnappers use the money they get to keep on committing these crimes."

But in Medellin it is common to hear relatives of kidnap victims say that there is no one to ask for help, because in many instances police officials themselves have links to the kidnap gangs. Although the commander of the Metropolitan Police denies these kidnapping charges, he acknowledges that more than 100 of his agents are under arrest and being investigated for extortion.

After analyzing the situation in Medellin, the city's civilian authorities came to the conclusion that in order to tackle the problem and help citizens regain confidence in the so-called law enforcement agencies, what was needed was an elite intelligence corps instead of an elite Strike Force. Thus was born the initiative, supported by the National Government, of creating the Antikidnapping and Extortion Unit (UNASE), which is made up of army, DAS [Administrative Department of Security], and Judicial Police members. The group has already begun to achieve results: last week it rescued three businessmen who were being held by common criminals.

The Economic Blues

"In spite of this bleak panorama, money has not left Medellin. Coltejer, Peldar, Sofasa...cannot move shop. They are producing over there," an industrialist consulted by SEMANA said. And that is not all. According to the Medellin Chamber of Commerce, between January and September of this year 2,070 new businesses were created with subscribed capital of 25.46 billion pesos, up 25 percent from the same period in 1989.

There is another side of the coin, however. The industrial-plant expansion projects that were scheduled to be brought up to date with the economic liberalization have been halted, and this has also meant that plans to create jobs have come to a standstill. According to Juan Guillermo Jaramillo, the president of ProAntioquia, "there are indeed recessionary effects, but they are not exclusively the result of the kidnappings; rather, they come from the rough period of the bombings. The recession can be felt particularly in the real estate business, as there is a glut of new and used properties on the market. And this is not just an effect of the exodus; many of the people who have decided to stay have also decided to move to plainer homes."

The housing glut can be seen in, among other things, the hundreds of "for sale" or "for rent" signs on buildings and homes in the city. In just one El Poblado building, for example, six of the 35 apartments were vacated in a single month.

Small business and garments are other sectors that have been hurt by this entire situation, but there are no

official figures. Jaramillo says that "although big companies do not need their owners to be physically present to continue operating, the same is not the case with small- and medium-sized business. The exodus of their owners has orphaned them."

The situation is complex and difficult, but the people of Antioquia are not throwing in the towel. According to the businessmen whom SEMANA consulted and who have decided to stay in Medellin, "we are staying here of our own free will, in spite of the risks, because we cannot allow Medellin, which has been Colombia's industrial capital par excellence, to become the spoils of war and wind up abandoned by its decent people."

Peru

Government Formally Condemns Haiti Coup Attempt

PY0801123091 Lima RTP Television Network in Spanish 0100 GMT 8 Jan 91

[Communique from by the Foreign Ministry's press office in Lima on 7 January—read by unidentified announcer]

[Text] 1. In light of the disruption of constitutional order and the arbitrary violation of the Haitian people's decision, which was expressed in ballot boxes on 16 December 1990 and resulted in the election of Jean-Bertrand Aristide as the new Haitian president, the Peruvian Government strongly rejects the action that has disrupted democratic order in that sister republic, and strongly demands that the state of law and the Haitian people's democratic decisions be respected.

2. The Peruvian Foreign Ministry will hold urgent consultations with the foreign ministries of the Rio Group member countries to determine the joint actions they should take to support the democratic system in the Republic of Haiti.

Airplane With 125 Passengers Hijacked in Lima

Hijackers Allegedly From MRTA

PY0801010591 Madrid EFE in Spanish 0047 GMT 8 Jan 91

[Text] Lima, 7 Jan (EFE)—In Trujillo, 570 km north of Lima, a spokesman for the Faucett Airline Company of Peru has reported that one of the company's planes with 125 passengers on board was hijacked in Lima airport by alleged terrorists.

The source told the media that the perpetrators of the hijacking are carrying weapons and explosives and are presumably members of the Guevarist Tupac Amaru Revolutionary Movement (MRTA).

Ransom, Escape Vehicles Demanded

PY0801012691 Madrid EFE in Spanish 0058 GMT 8 Jan 91

[Text] Lima, 7 Jan (EFE)—A plane belonging to Peru's Faucett Airlines with 125 passengers on board was hijacked today at the Lima airport by alleged terrorists, according to an airline spokesman in Trujillo, 570 km north of Lima.

Humberto Quispe, the Faucett manager in Trujillo, told the media that the hijackers of the plane, which landed in Lima at 1810 (2310 GMT), are members of the Guevarist Tupac Amaru Revolutionary Movement (MRTA). Quispe explained that two terrorists carrying weapons and explosives identified themselves as MRTA members. The exact number of air pirates is not known.

The plane has been on one of the Lima airport's runways since it landed but no passengers or crew have been seen disembarking from the plane.

A report broadcast by the radio station "Radioprogramas del Peru" indicates that the kidnappers have demanded a ransom of $750,000 for the release of the passengers and several vehicles to use in their escape.

The station's report adds that the media is not receiving any official information at the site of the incident because it does not have direct access.

75 Released; 50 Remain on Plane

PY0801020091 Madrid EFE in Spanish 0144 GMT 8 Jan 91

[Excerpt] Lima, 7 Jan (EFE)—The Tupac Amaru Revolutionary Movement (MRTA), the Peruvian communist guerrilla group that hijacked a plane today, has released 75 of the 125 passengers at Lima's airport, including Julian Bustamante, a senator for the Change 90 Movement.

Jorge Chavez Airport authorities have confirmed that one person carrying explosives and weapons released the majority of the passengers but is keeping "some 50 persons" as hostages.

A high-ranking official of the private Faucett Airlines, which owns the hijacked DC-8, has confirmed that the hijacker belongs to the MRTA guerrilla group, which took up arms in 1983. [passage omitted]

Agents Board Plane, Kill Hijacker

PY0801021591 Lima RTP Television Network in Spanish 0155 GMT 8 Jan 91

[Text] This is a last-minute report: In a resolute action, policemen have managed to enter the Faucett airplane and kill the hijacker. Two Corpac [Corporation for Airports and Commercial Aviation] security officers were wounded in the shoot-out. The two, who have been identified as Pedro Dias and Jaime Iparaguirre, were immediately taken to the naval hospital.

According to the report, the presumed subversive has been identified as Jose Matsabias. Since this unfortunate episode has ended, flight operations have resumed at Lima's airport.

Report of Hijacker's Death Disputed

PY0801030791 Madrid EFE in English 0259 GMT 8 Jan 91

[Text] Lima, 7 Jan (EFE)—A Peruvian court official Monday [7 January] said security forces shot dead a hijacker after he had seized a plane with 125 passengers on board. But police and officials of the Faucett airline company, which owns the plane, said the hijacker had been overpowered and arrested.

Public prosecutor Clodomiro Chaves said a policeman dressed as a maintenance technician entered the plane on the runway of Lima's Jorge Chavez Airport and shot dead the hijacker who was armed with firearms and explosives.

The hijacker had earlier released 75 of the passengers but two of the 50 people still aboard the DC-8 were wounded in the shooting.

Chaves said the hijacker was probably mentally disturbed and not a member of the Tupac Amaru Revolutionary Movement as he had earlier claimed.

Faucett chairman Alfredo Granda said the hijacker had asked for 750,000 dollars in ransom, and for the plane to be refuelled.

One of the passengers released earlier from the DC-8 plane was identified as Senator Julian Bustamante, a member of President Alberto Fujimori's "Change 90" party.

Group Sponsors Antiterrorist Information Campaign

PY0801015491 Madrid EFE in Spanish 1700 GMT 7 Jan 91

[Excerpt] Lima, 7 Jan (EFE)—A previously unknown organization that calls itself "The Force of the Law" began a publicity campaign on television this past weekend requesting that the people help the security forces by turning in terrorists in exchange for an economic reward.

The organization calls upon the people to use the telephone to report the characteristics of alleged terrorists. Should officials confirm the information, the person who made the report will receive a considerable cash award, according to the importance of the terrorist.

Persons making reports do not have to identify themselves, needing only to provide an alias which will allow them to pick up the reward, the advertisement says.

"The Force of the Law" adds that the objective is to cooperate with security forces to fight the guerrilla groups which, since 1980, have caused the deaths of 21,000 people and property damage estimated at $20 billion, which is equivalent to 90 percent of the Peruvian foreign debt. [passage omitted]

Venezuela

Foreign Minister: Surinamese Envoy Must Leave

PA0701180191 Hamburg DPA in Spanish 1458 GMT 7 Jan 91

[Text] Caracas, 7 Jan (DPA)—Today, Venezuela took a new step to put some distance between itself and Suriname when it stated that the military coup in Suriname on Christmas Eve is part of a resurgence of dictatorships in Latin America and demanded the closing of the Surinamese Embassy in Caracas and the ambassador's prompt departure.

"If relations are suspended, he must leave, he will have to withdraw," Foreign Minister Reinaldo Figueredo Planchart told reporters. On 31 December, President Carlos Andres Perez announced the break in relations with Suriname to repudiate the 24 December military coup.

In a communique issued by the Presidency and distributed this morning, the Venezuelan Government, as acting secretary of the Group of Rio, said that the ouster of Surinamese President Ramsewak Shankar on Christmas Eve and yesterday's military coup in Haiti are "a dangerous trend toward a resurgence of dictatorships in Latin America."

Figueredo added that the decision to severe diplomatic ties with Suriname must be interpreted as a firm stand rejecting the use of military force to overthrow a freely elected government.

Just as in the case of Haiti, the foreign minister announced the search for multilateral mechanisms to reestablish democracy in Suriname. Last week, at Venezuela's request, the OAS condemned the coup in Suriname, but did not adopt any other measures.

Figueredo said that the Surinamese Embassy in Caracas has already been notified and that the withdrawal of Ambassador Ferdinand Van Dijk is now expected.

In his New Year's speech, Perez rejected the coup and insisted that the countries of the region take joint measures against the new military government. In addition, he announced a break in relations with Paramaribo.

However, later on, the Surinamese Embassy continued to work normally until late last week when its government received official notification of the break in diplomatic relations.

Communique Issued Condemning Haitian Coup Attempt

PA0701192391 Caracas Venezolana de Television Canal 8 in Spanish 1600 GMT 7 Jan 91

[Text] Roger Lafontant, former Haitian interior minister during the Francois Duvalier regime, proclaimed himself provisional president of that Caribbean island, just 30 days before the ascension to office of the new government led by Jean-Bertrand Aristide, who was democratically elected on 16 December.

President Ertha Pascal Trouillot was forced to resign her post after being held hostage by Lafontant, who is also known for leading the evil Tontons Macoutes paramilitary group, which protected the Duvalier regime.

Haiti has had five governments over the past five years since Jean Claude Duvalier fled the country and went into exile in France on 7 February 1986.

The Venezuelan Government has issued a communique concerning this despicable incident.

[Begin Foreign Minister Reinaldo Figueredo recording] I want to inform you that we have made all the necessary contacts and adopted all the necessary actions to convene a meeting of the Consulting Board and other entities of the Group of Rio, the OAS, and the UN so that we can put a quick end to this new attempt by a group of reactionaries. They believe that Haitians have no right to democracy and to begin their development process, like the rest of the people of Latin America.

We issued a communique on behalf of the Group of Rio, which states the following:

The Venezuelan Government, in its capacity as acting secretary of the Latin American permanent consultation and coordinating board and in view of the seriousness of the situation, is forced to publicly condemn the violent actions staged by Roger Lafontant, a sinister figure of the Duvalier era, against the democratic institutions of Haiti designed to prevent the consolidation of the people's will with the assumption to the Presidency of President-elect Jean-Bertrand Aristide.

The Venezuelan Government urges the Haitian Army and its commander in chief, General Abraham, to defend the election results so as to consolidate the institutionalization process, which began with the historic elections held on 16 December.

In addition, the Venezuelan Government will assume its responsibility by beginning a consultation process to adopt measures intended to prevent the progress of the Latin American people from being undermined by tyrants, who are only trying to mock the people's will, especially in a nation where the election process was so closely monitored by international organizations, such as the OAS and the UN. This incident, together with recent developments in the Republic of Suriname, paints a dangerous picture of the revival of dictatorships in Latin America. Therefore, we believe it is necessary that we act to eliminate the origins of the problem and preserve democracy, for which our people have struggled so hard.

I want to advise Venezuelans and foreign citizens who reside in Venezuela, particularly Haitians, that we maintain permanent contacts with the Haitian authorities, Father Aristide, and General Abraham through our diplomatic mission to be able to promptly resolve this matter without bloodshed. [end recording]